

INVESTOR DAY  
2010





**Debbie Hancock**, VP, Investor Relations

Welcome



## Safe Harbor

During the course of this meeting, members of Hasbro management may make forward-looking statements concerning management's expectations, goals, objectives and similar matters, which are subject to risks and uncertainties. These forward-looking statements include expectations concerning the Company's future products and financial performance, including expectations for 2011, future entertainment releases, as well as the Company's medium-term objectives. There are many factors that could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in a forward-looking statement, including consumer and retailer interest in and acceptance of our products and product lines, changes in marketing and business strategies as well as future global economic conditions. Some of those factors are set forth in the Company's Annual Reports on Form 10-K, in the Company's Quarterly Reports on Form 10-Q, in the Company's Current Reports on Form 8-K and in the Company's other public disclosures. All attendees should review such factors together with any forward-looking statements made at this meeting. The Company undertakes no obligation to make any revisions to the forward-looking statements contained in this presentation or made during this meeting to update them to reflect events or circumstances occurring after the date of this meeting.





**Brian Goldner**, President & CEO

Hasbro's Strategic Plan

## Becoming a Branded Play Company



# Our Mission Today

---

What it means to be a branded play company  
**& the value we are creating for shareholders**

- Brand re-imagination, re-invention, re-ignition
- Relentless product innovation
- Brand extension beyond toys & games
- Creating immersive entertainment experiences
- Driving play across digital platforms
- Retail reinvention & strategic leadership

Financial performance & answers to your most popular questions



## Agenda & Presenters

Brand Blueprint	John Frascotti
Product Innovation	Duncan Billing
Lifestyle Licensing	Simon Waters
Entertainment: Motion Pictures	Bennett Schneir
Entertainment: Television	Stephen Davis
Digital Gaming Evolution	Mark Blecher
Executing The Strategy	David Hargreaves
Top Questions	Deborah Thomas & David Hargreaves
Questions & Answers	



# Hasbro's Strategic Blueprint



# Immersive Brand Experiences



Focused on providing  
**Immersive Brand  
Experiences**

to consumers of all ages in  
any form and format, where  
and when they want it.



# Hasbro's Strategic Blueprint

Strategic Retail Partnerships: Bringing the Blueprint to Life at Retail



## Hasbro Inc. Net Revenues 2005-2009 (In US\$ Millions)



Revenues have grown nearly \$1 billion since 2005, reflecting a CAGR of 6%

Revenues have grown more than 32% since 2005

Fifth consecutive year of revenue growth



# Earnings Per Share 2005-2009

Hasbro Inc. Fully Dilutive  
Earnings Per Share



Earnings Per Share have grown more than 2.3 times reflecting a CAGR in excess of 14%.  
Hasbro has increased its earnings per share every year for the last 9 years.



# Revenue and Earnings Growth Year-to-Date

## Net Revenues

(\$ millions)



## Net Earnings

(\$ millions)



Through Q3-2010; As Reported E.P.S.



# Core Brand Strategy is Working

Our Global Core Brands Represent

2005

2009



TRANSFORMERS

NERF

PLAYMOBIL



GIANT

MONOPOLY

MAGIC



# Medium-Term Objectives



Revenue growth CAGR 5%

Operating margin improvement  
Greater than 15%

Generate cash



# 2011 & Beyond: Continue to Execute

Core Brand Strategy

Re-imagine  
Re-invent  
Re-signle

Entertainment  
Movies TV Web  
Toy & Game Digital

Entertainment  
Movies TV Web  
Toy & Game Digital

Drive Key  
Relationships

Retail, Strategic Licensing  
Partners, Discovery,  
Studio Partners

Be **everywhere** consumers are and are going  
when and where they want to be



# Trans-Media: Kids 8-18 “Bend” Time!



# Population Trends on Our Side

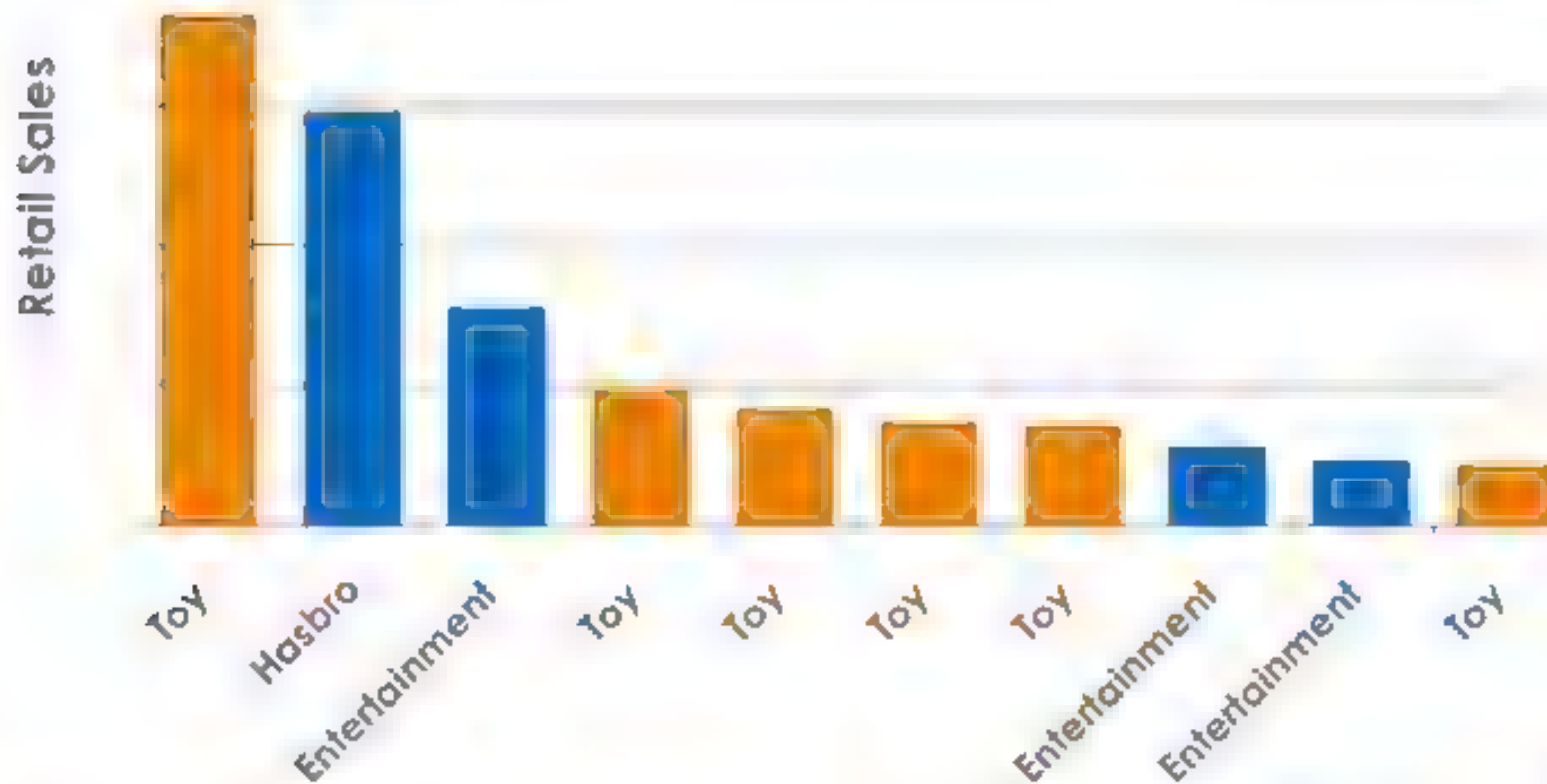
## Global Population of Kids 0-14



# Our Competitive Universe

3 of top 10 Toy/Game Companies are Entertainment Companies

2009 Traditional Toys/Games (US)



# Media-Backed Properties Drive Sales

Total Toy Business, **declined** **-\$1.5B** since '04

Entertainment-Based Toys & Games, **up** **+\$1.3B** since '04



# Media-Backed Toys Enjoy a Significant & Increasing Price Premium



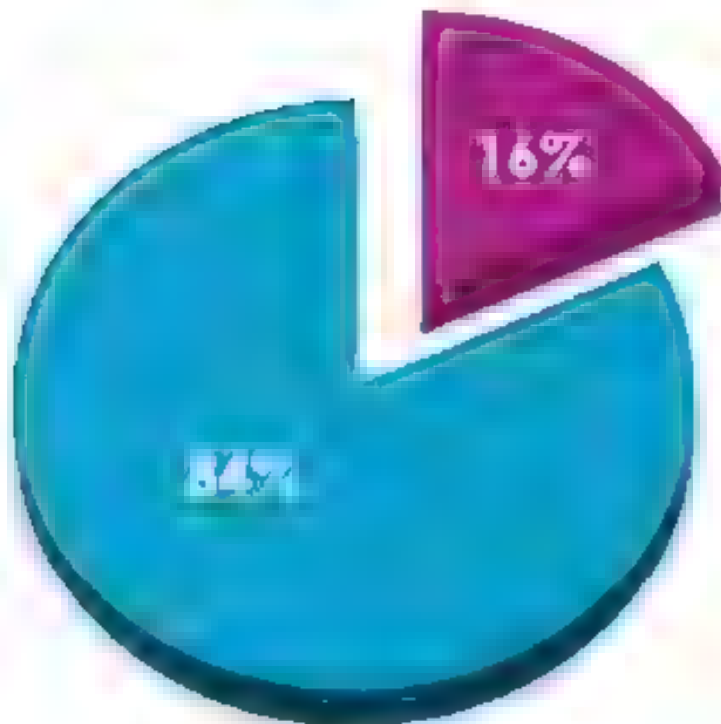
Average Retail Prices (Traditional Toys/Games)



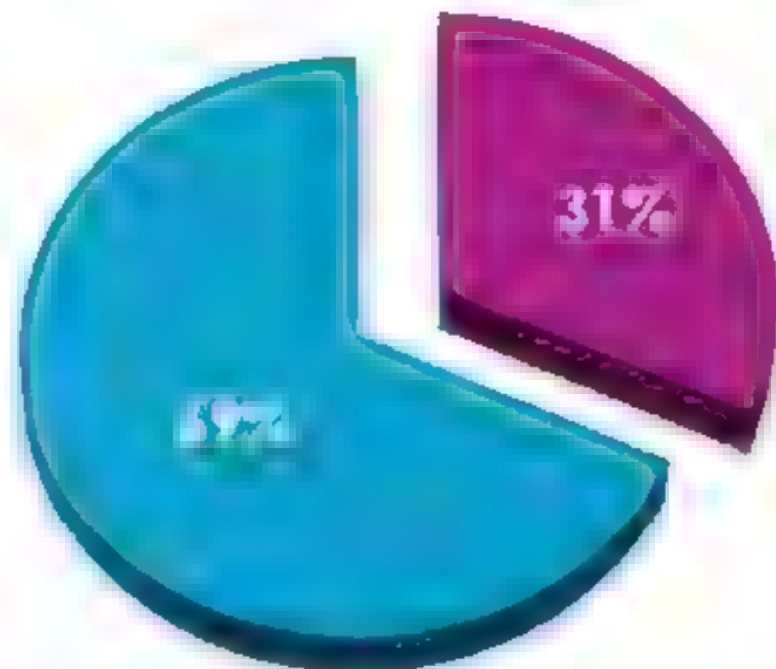
# Hasbro-Owned Brands with Entertainment

Hasbro Portfolio - Entertainment vs. Standard

2006



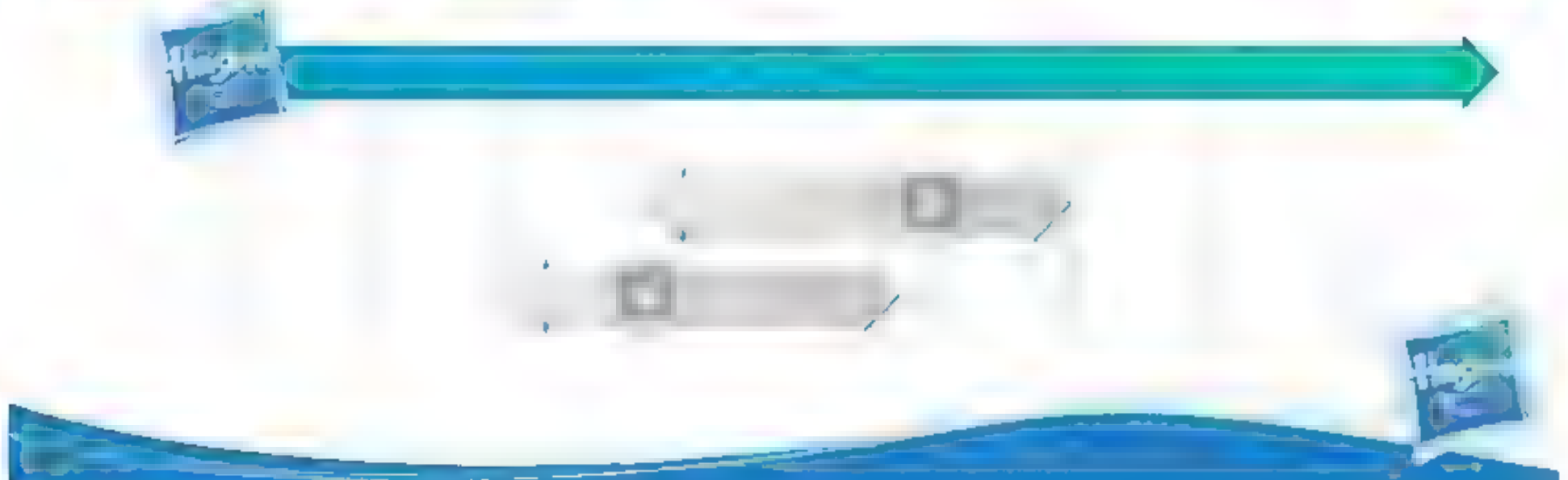
2009



■ Entertainment ■ Standard



# Consumer Experience of Brands



# Retail: A Powerful Element in Building Immersive Experiences

Toys & Games appear in over  
**500,000** stores globally

Shoppers make over **2 Billion** trips each  
week to retail around the world

## Perspective

Imagine a line of people walking  
through one major retail store  
every 10 seconds. It would take  
one person to walk  
through one major retail store  
every 10 seconds.

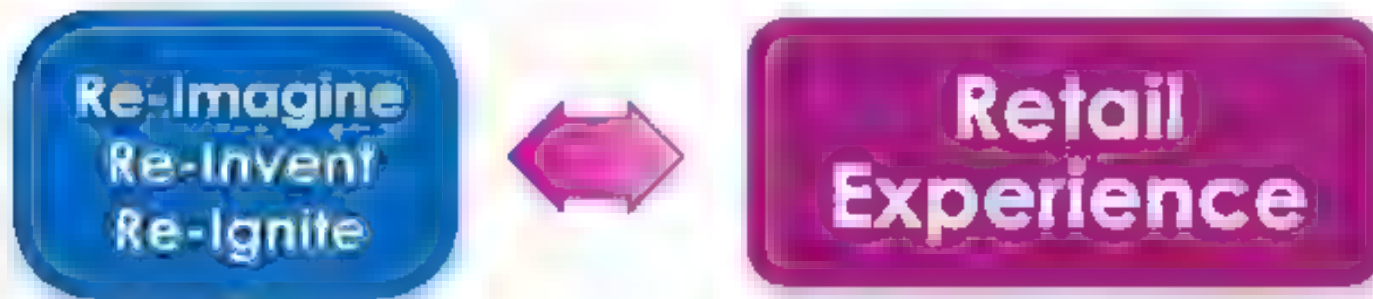


# Retail's Growing Importance

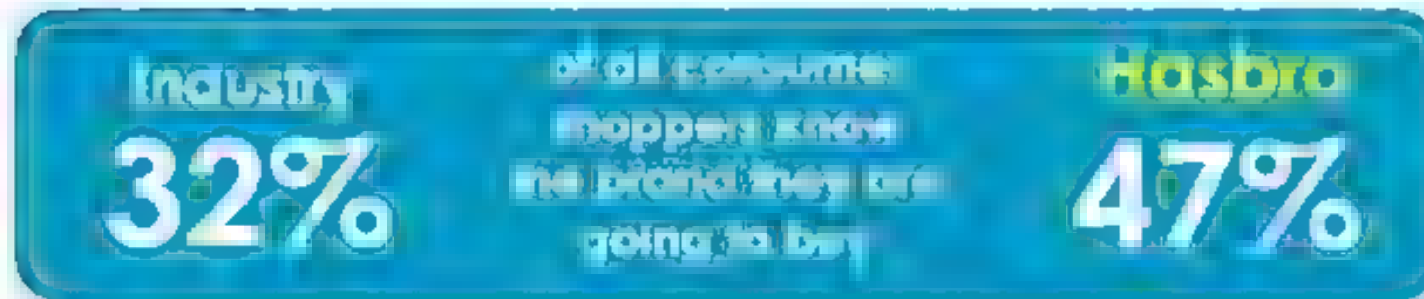
- Shopper frequency is on the rise
  - Retailers are adding more consumable products to their mix
    - Groceries
    - Staples
- National Retail Federation is predicting overall holiday spending to increase by 2.3%



# Hasbro's Branded Play Strategy: Retail



## Retail Experiences are Key!

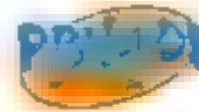


# Hasbro's Strategic Advantage

**Walmart**  
Save money. Live better.



**METRO**



**K**  
where good times start

**Ruchan**

**LOJAS AMERICANAS**

**Toys R Us**



**BIGW**

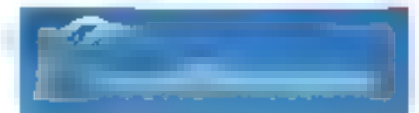
**Argos**

**Carrefour**

**TESCO**

**TOY WORLD**

**RIHAPPY**



# Hasbro's Branded Play Strategy: Retail



- The largest "network" in the world is retail.
  - More consumers experience brands in stores than anywhere else
  - Children's favorite brands come to life at retail
- Hasbro's toy & game DNA represents a major strategic advantage
- Branding our strategic skills
  - Customer Strategy - Marketing Teams
  - Retail experiences
  - Retail partnerships



# USA

Times Square, NYC



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# Worldwide Retail



Spain



China



China



Mexico



Austria



France



# Hasbro's Strategic Blueprint





Over  
**1500**  
 Brands



NERF

MAGIC  
and Enchanting

FurReal

LITTLE  
PONY

GI JOE

PLAYSKOOL

CLUE

Baby  
Alive



CONNECT 4

SCRABBLE

Easy-Bake

Wheel Pals

BATTLESHIP

Play-Doh

Tonka

TRIVIAL PURSUIT

# 150 Brands

TRANSFORMERS



Strawberry  
Shortcake

Weebles

Guess  
Who?

MARVEL

The Game of  
LIFE



123  
SESAME STREET



CANDY  
LAND

MONOPOLY

STAR  
WARS





# Brand Re-Invention: Littlest Pet Shop



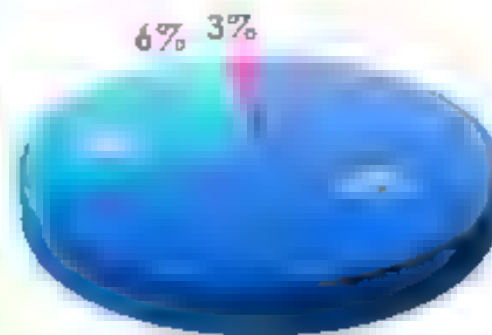
## Littlest Pet Shop Average Sales



First Run: 1992-1997 (6 years)  
 Quiet Years: 1998-2003 (6 years)  
 Second Run: 2004-2009 (6 years)

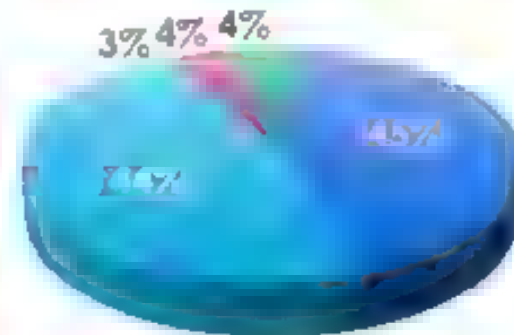
## Littlest Pet Shop 1994 Regions

■ US/Canada ■ Europe ■ AP ■ LA



## Littlest Pet Shop 2009 Regions

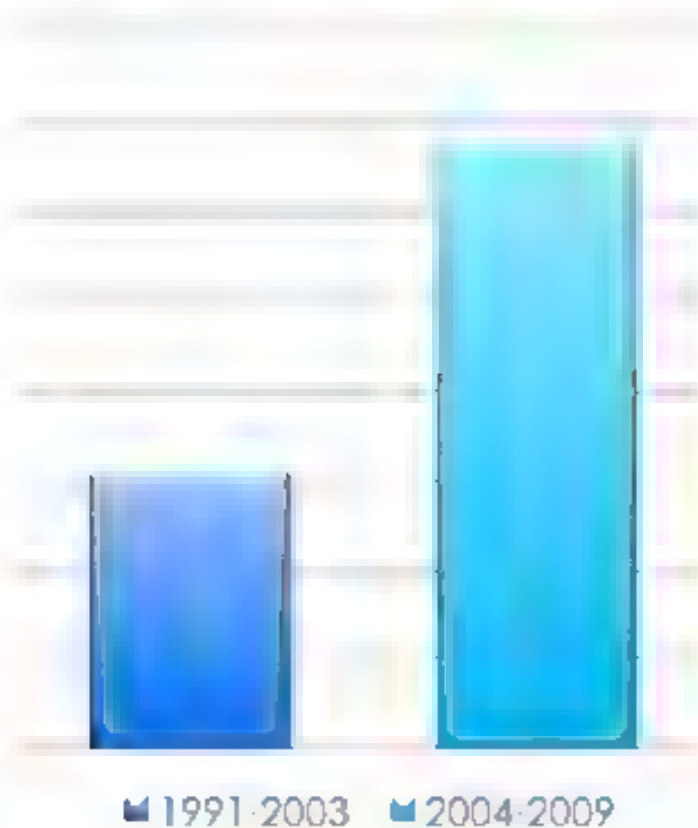
■ US/Canada ■ Europe ■ AP ■ LA ■ Other



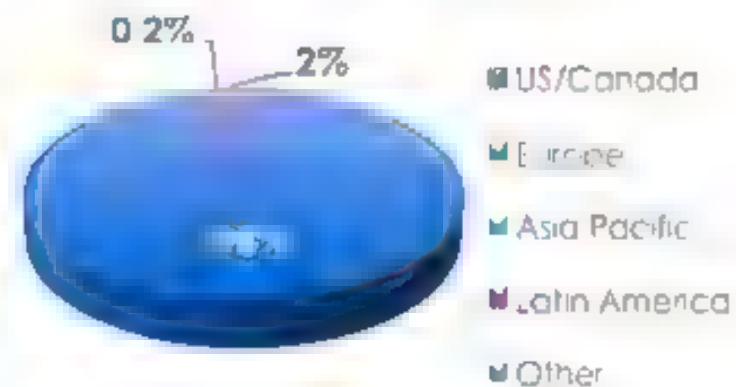


# Brand Re-Invention: NERF

## Nerf Average Sales



## Nerf 1996 Regions



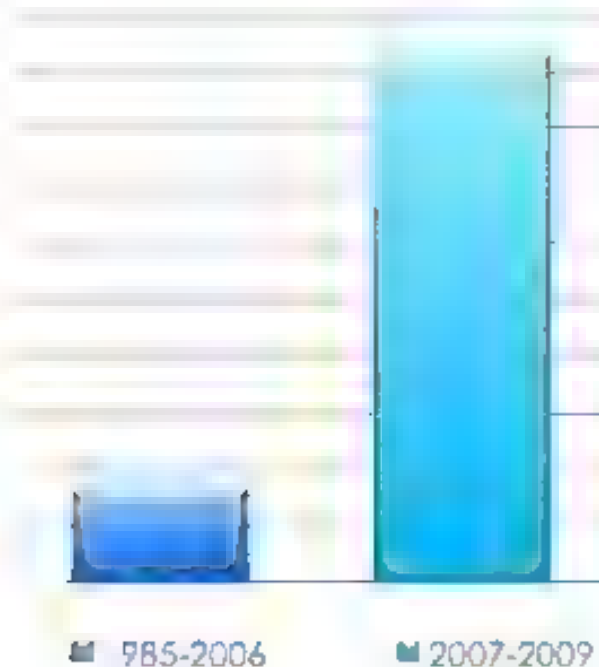
## Nerf 2009 Regions





# Brand Re-Invention: Transformers

Transformers Average Sales



Transformers 1986 Regions



Transformers 2009 Regions

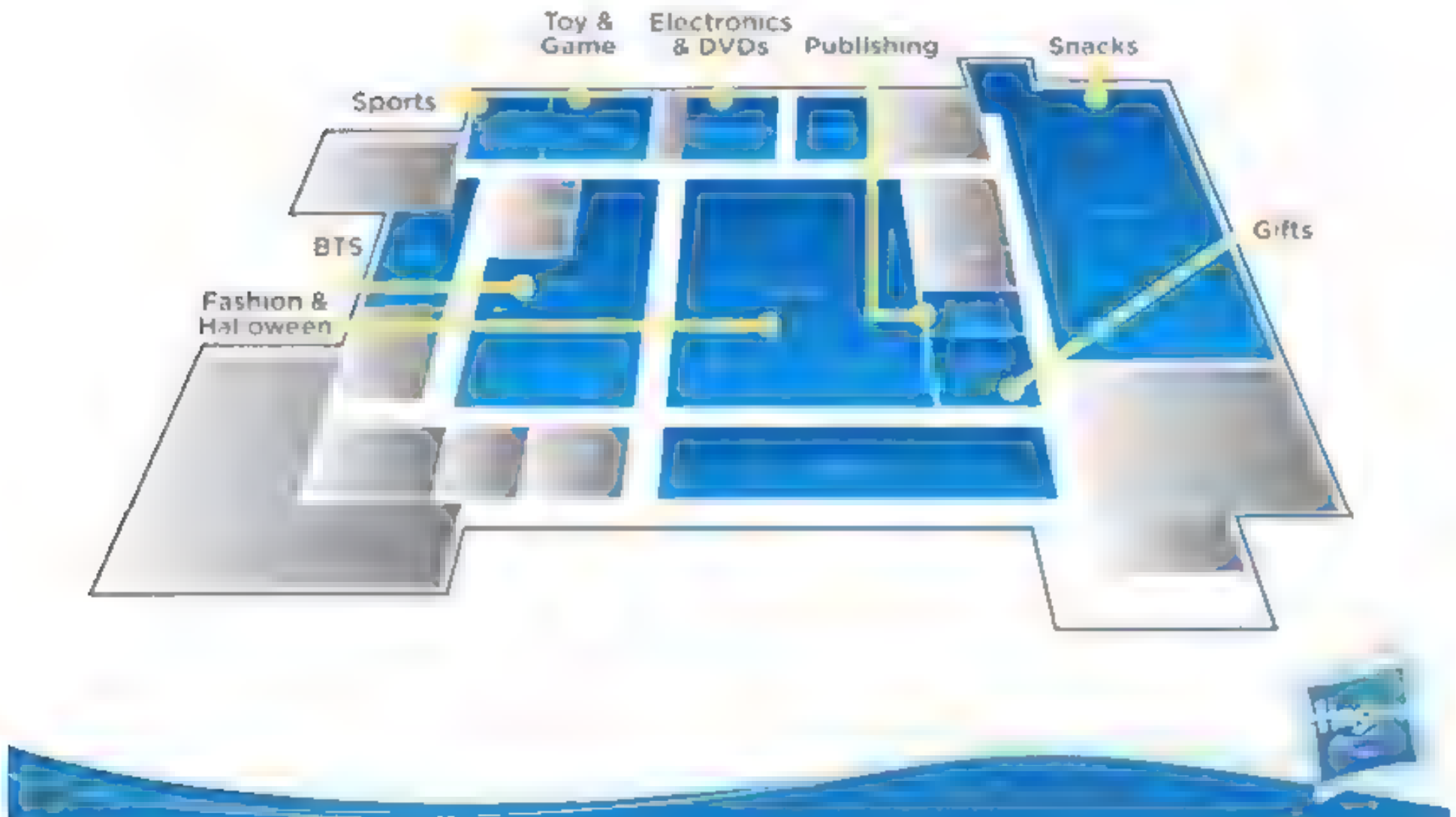


# Hasbro's Strategic Blueprint



# Re-Imagining Retail

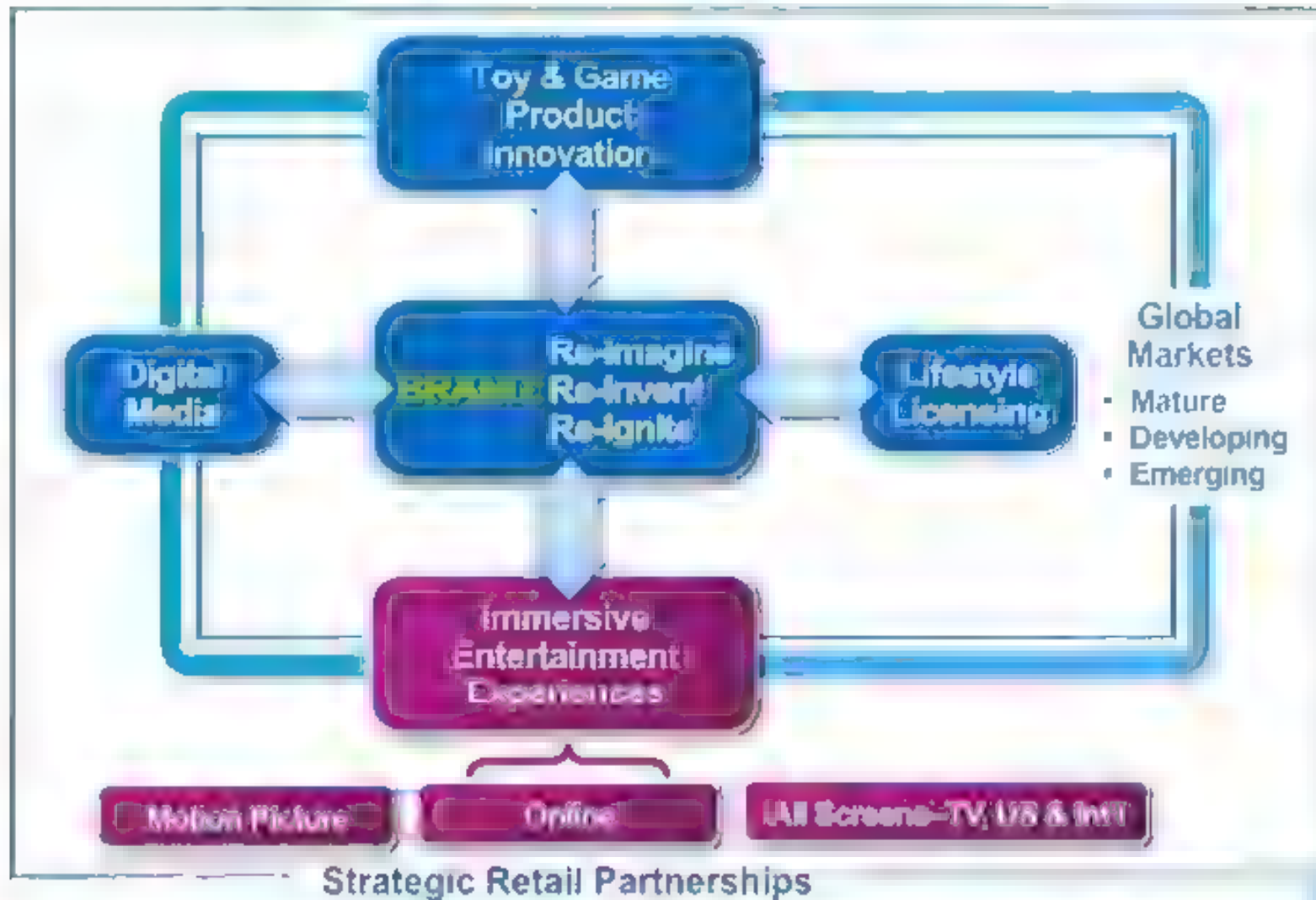
New experiences drive full-store mobilization



# Hasbro's Strategic Blueprint



# Hasbro's Strategic Blueprint





hub

where great things come together

A 24-hour destination that connects kids and their families.

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Video Playing in Room

# TRANS FORMERS P-R-I-M-E

**Hasbro**  
STUDIOS

INVESTOR DAY

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Video Playing in Room

**BATTLESHIP**

**TRANS  
FORMERS**

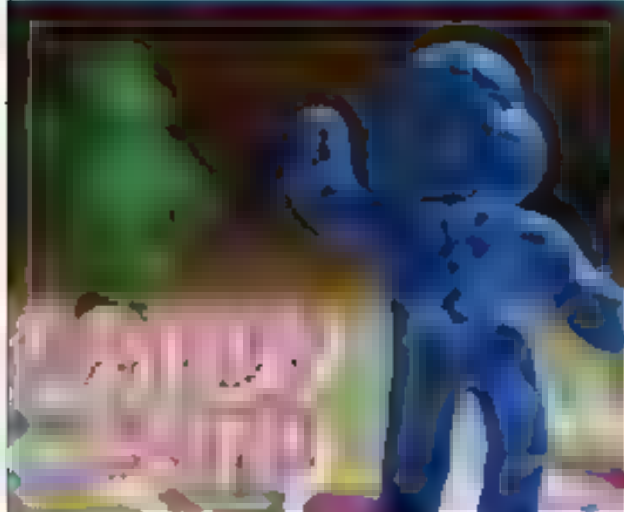
**G.I. JOE**  
THE RISE OF COBRA

**STRETCH  
ARMSTRONG**

**MICRONAUTS**

**OUIJA**  
MUSTIFYING ORACLE

**RISK**



**MONOPOLY**

FREE



# Hasbro's Strategic Blueprint



## New Brand Franchises

**Pound  
Puppies**

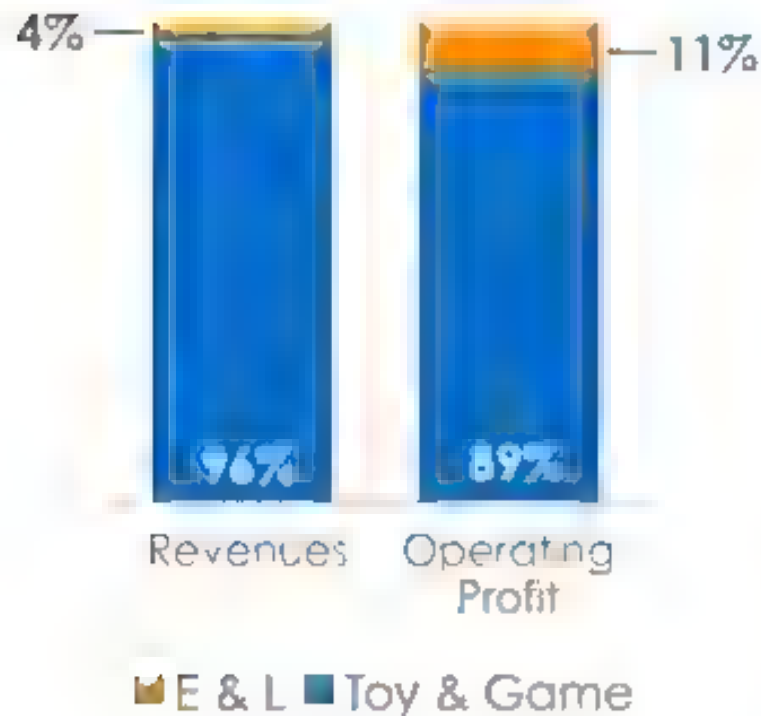


**THE  
MICRONAUTS**

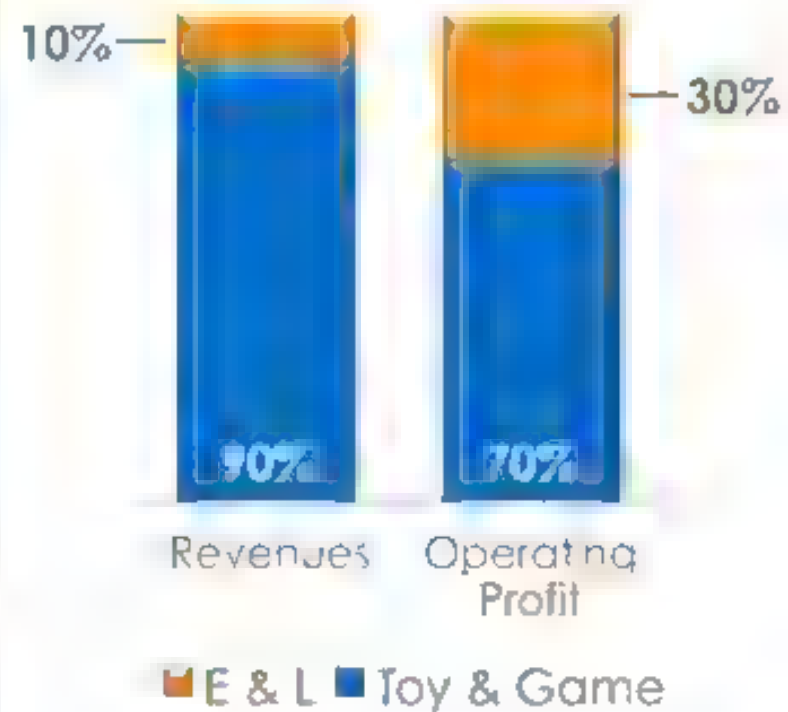


# Financial Perspective: Becoming a Branded Play Company

2009 Actuals



2015 Projection



# The Blueprint is in Place



- Transition to branded play company is underway
- Unlocking the potential of our brands
- Delivering the products consumers want, where and when they want them
- Demonstrating the value of our strategic partners at retail
- A strong commitment to still investing in our business

Creating value for our shareholders



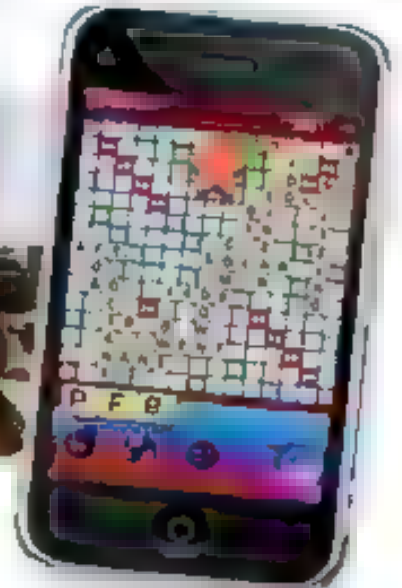
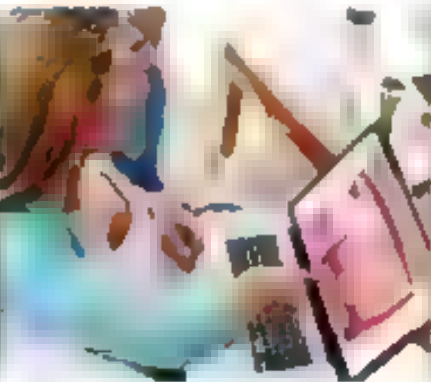
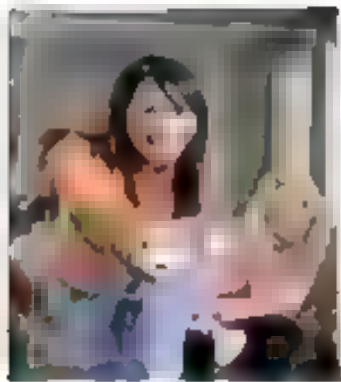


John Frascotti, Chief Marketing Officer



# Consumers Are In Charge

We are tapping into consumers like **never before**  
through **extensive global consumer research**,  
and responding to **how** audiences **consume media**  
**and brands** today - all around the world



# Media Exposure: By Platform

Time 8 to 18-year-olds Spend with Each Medium in a Typical Day



Source: Kaiser Family Foundation, Generation M: Media in the Lives of 8- to 18-Year-Olds, 2000



# Hyper-Connected Consumers



# Hasbro's Strategic Blueprint



# Total Brand Management





From a Toy Brand to a  
**Global  
Franchise**

# TRANSFORMERS

# Brand Essence

More Than Meets the Eye

Master of  
Change

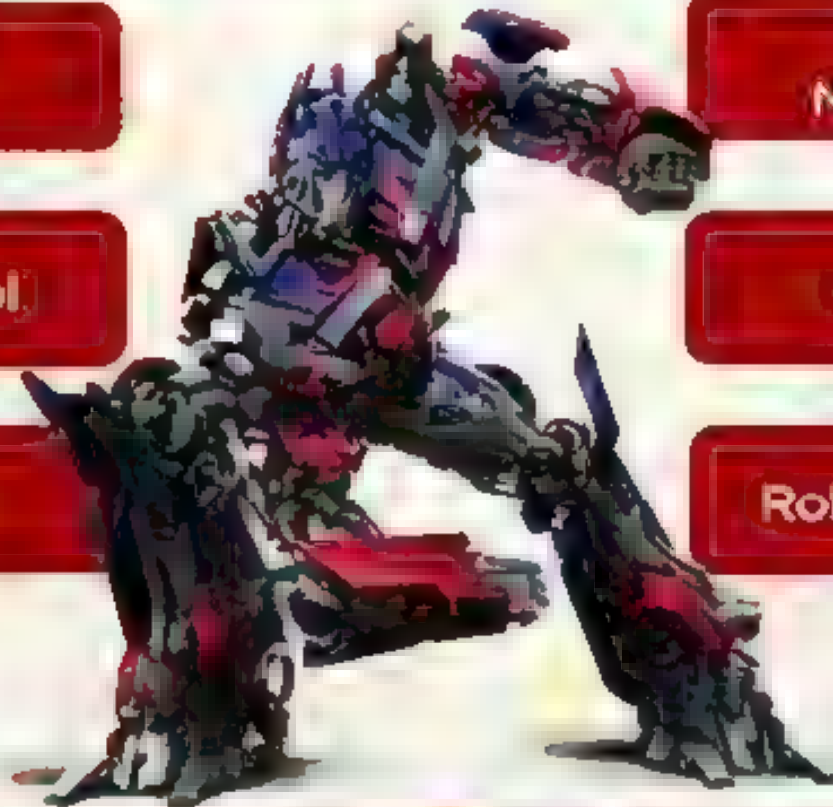
Powerful,  
Multi-Faceted

Feel In Control

Challenging

Two In One

Robots & Vehicles



# Total Brand Management



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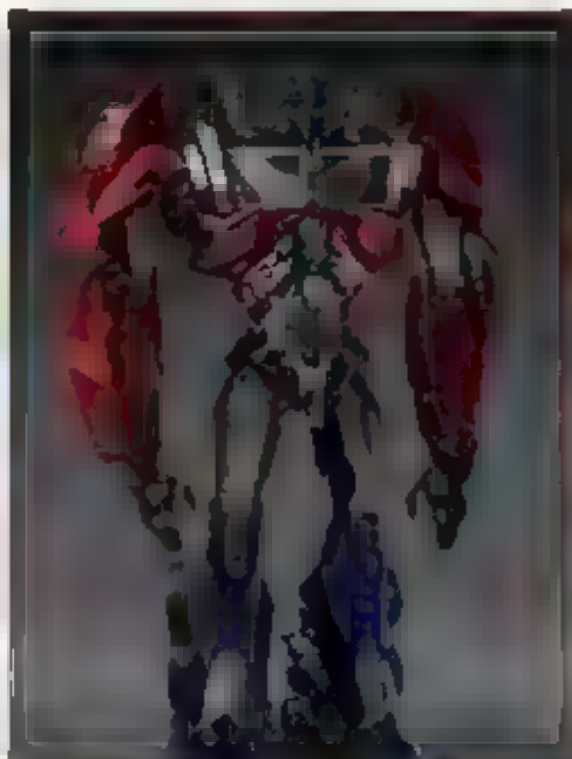
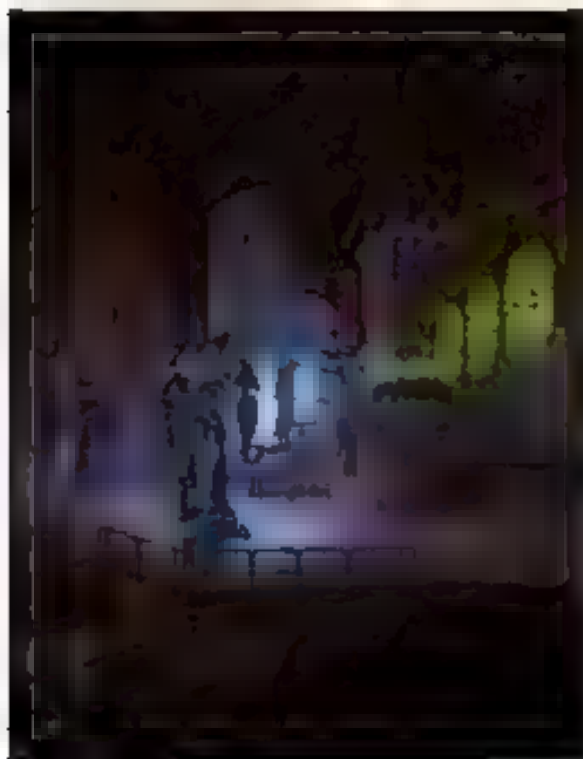
2010



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# New TV Series

hub



**TRANS  
FORMERS**



# Digital Gaming

Video Games

ACTIVISION®

PS3  
PlayStation 3

Wii  
Wii U



TRANSFORMERS 3

NINTENDO 3DS

Mobile Gaming

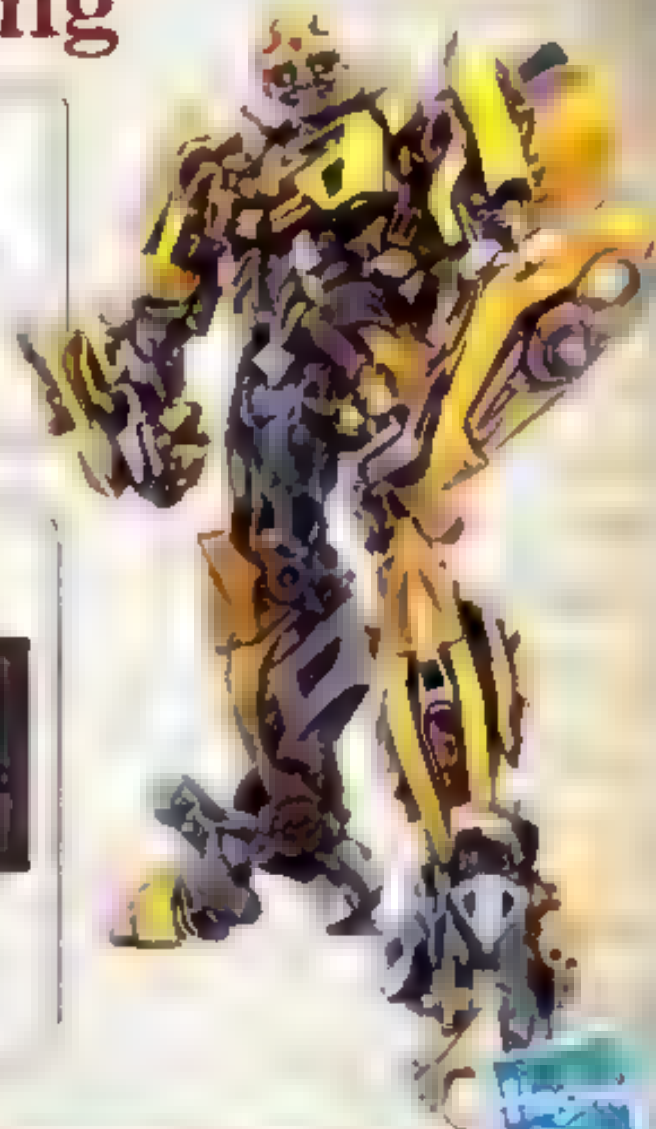


mobile

MMOG

ND

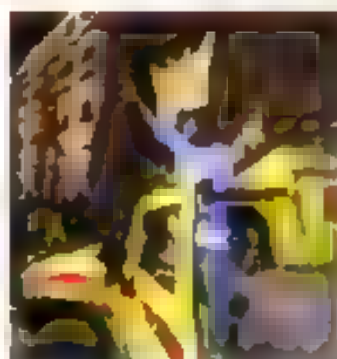
网龙公司



# Global Fan Engagement

Pasadena, CA

Shanghai, China



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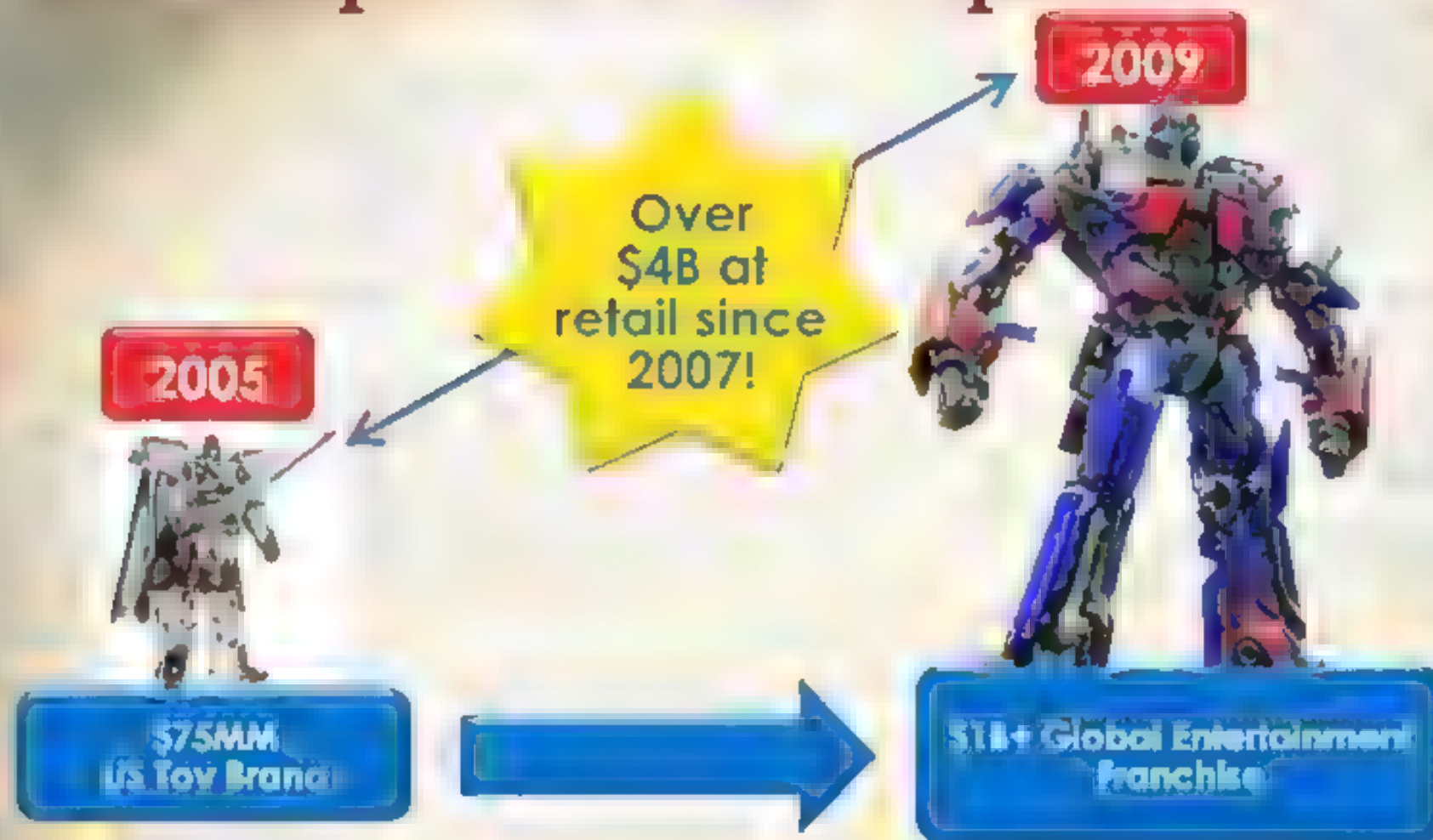


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# Global Licensing Powerhouse



# Rapid Growth Expansion



# Hasbro Girls Brands





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Video Playing in Room



## Re-Imagining a Classic!

Core Cast &  
Episodic TV



Friendship/  
Market to Moms



Re-Launch Across  
All Categories



Go to Market  
Strategy





# Immersive Brand Experience





# Littlest Pet Shop DNA

*One Look and You're Hooked!*



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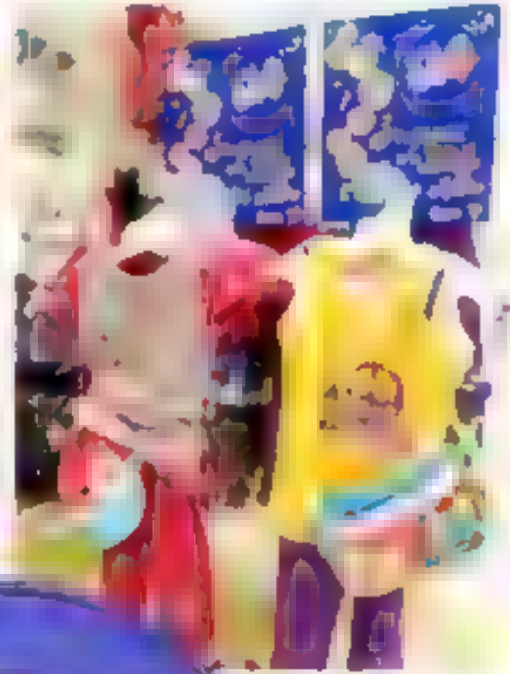
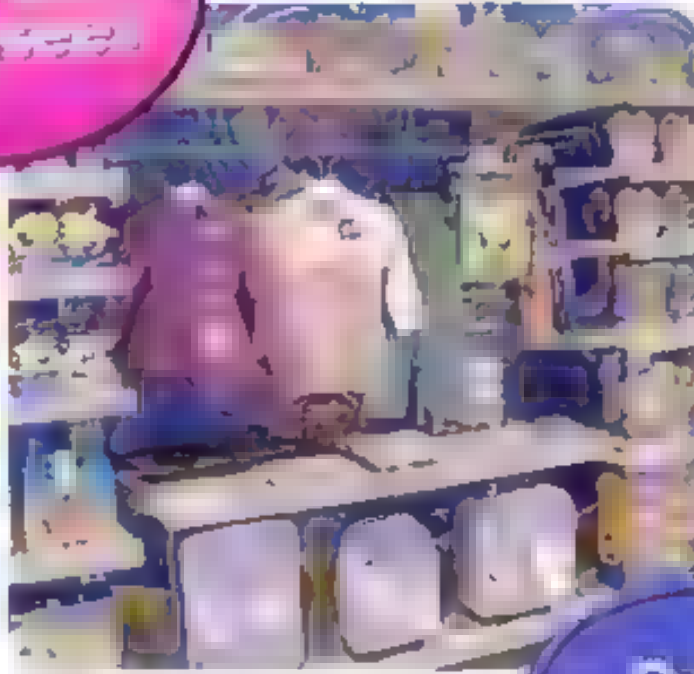


# Digital Entertainment





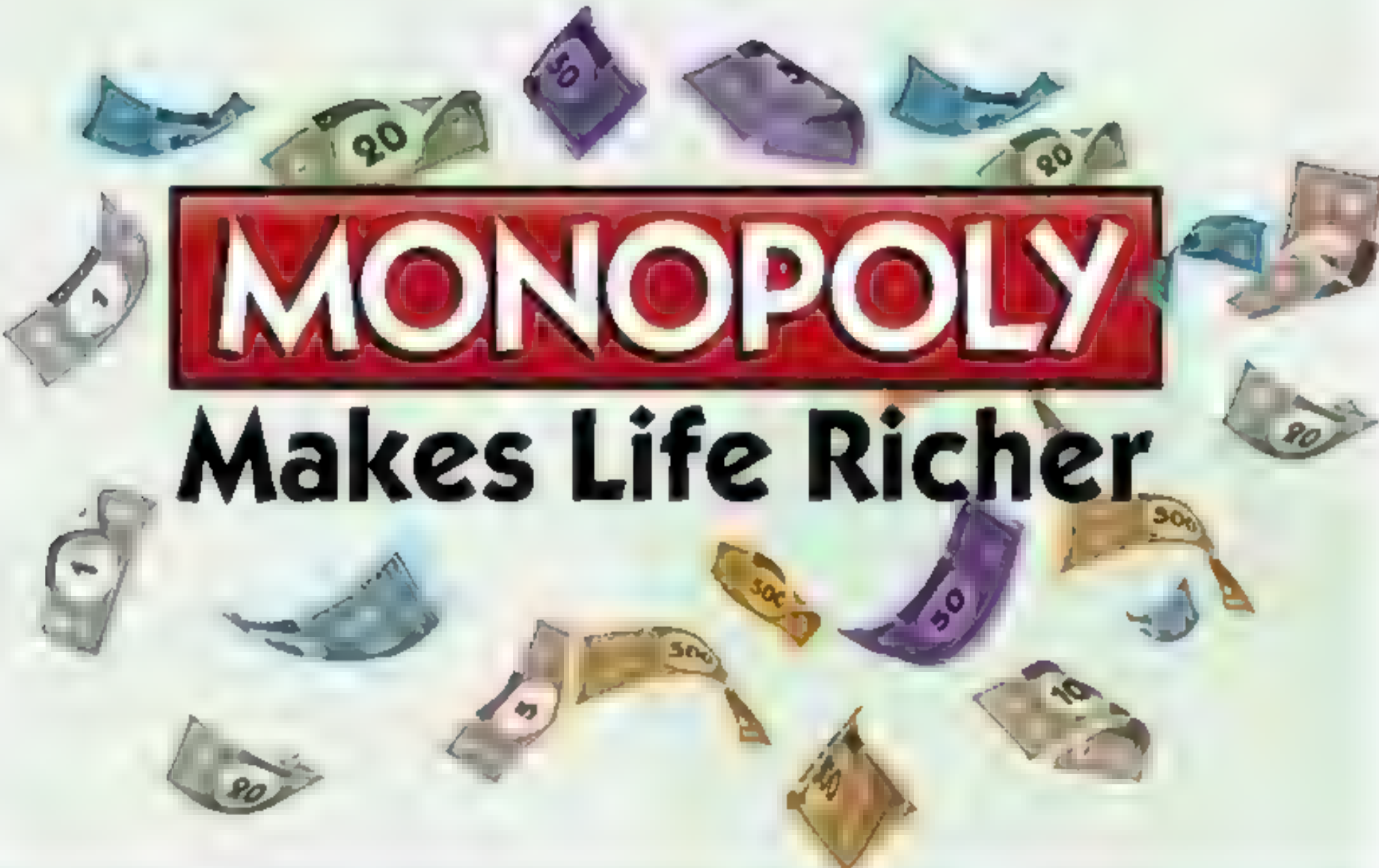
## Licensed Products





# Total Brand Management



The image features a central red rectangular box with the word "MONOPOLY" in large, white, bold, sans-serif capital letters. Below this box, the phrase "Makes Life Richer" is written in a black, bold, sans-serif font. The entire composition is set against a light blue background. Scattered around the text are numerous Monopoly money bills of various denominations and colors, including \$1 (grey), \$5 (green), \$10 (pink), \$20 (blue), \$50 (purple), and \$100 (orange). The bills are depicted in a dynamic, floating manner, some appearing to be in motion. At the bottom of the image, there is a solid green horizontal bar.

# MONOPOLY

**Makes Life Richer**



# Games Make Life Richer Through Face to Face Play



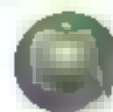


**MONOPOLY**

Wii



pogo



XBOX 360

PS3  
PlayStation 3

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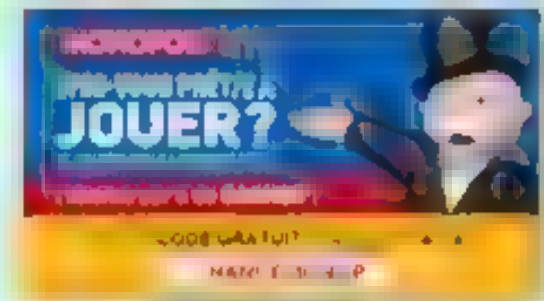
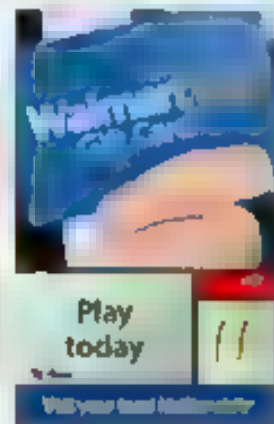


Video Playing in Room



# 2010 MONOPOLY

## McDonald's Promotion



# Total Brand Management



MonopolyDocumentary.com

**Entertainment**



**Lifestyle  
Licensed  
Products**



**Advertising**

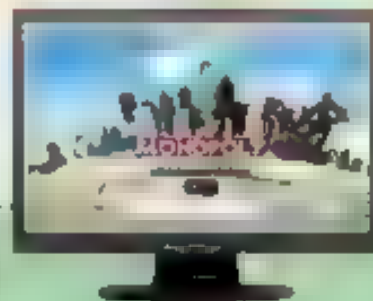


**Digital**



**Promotions**

**Online**

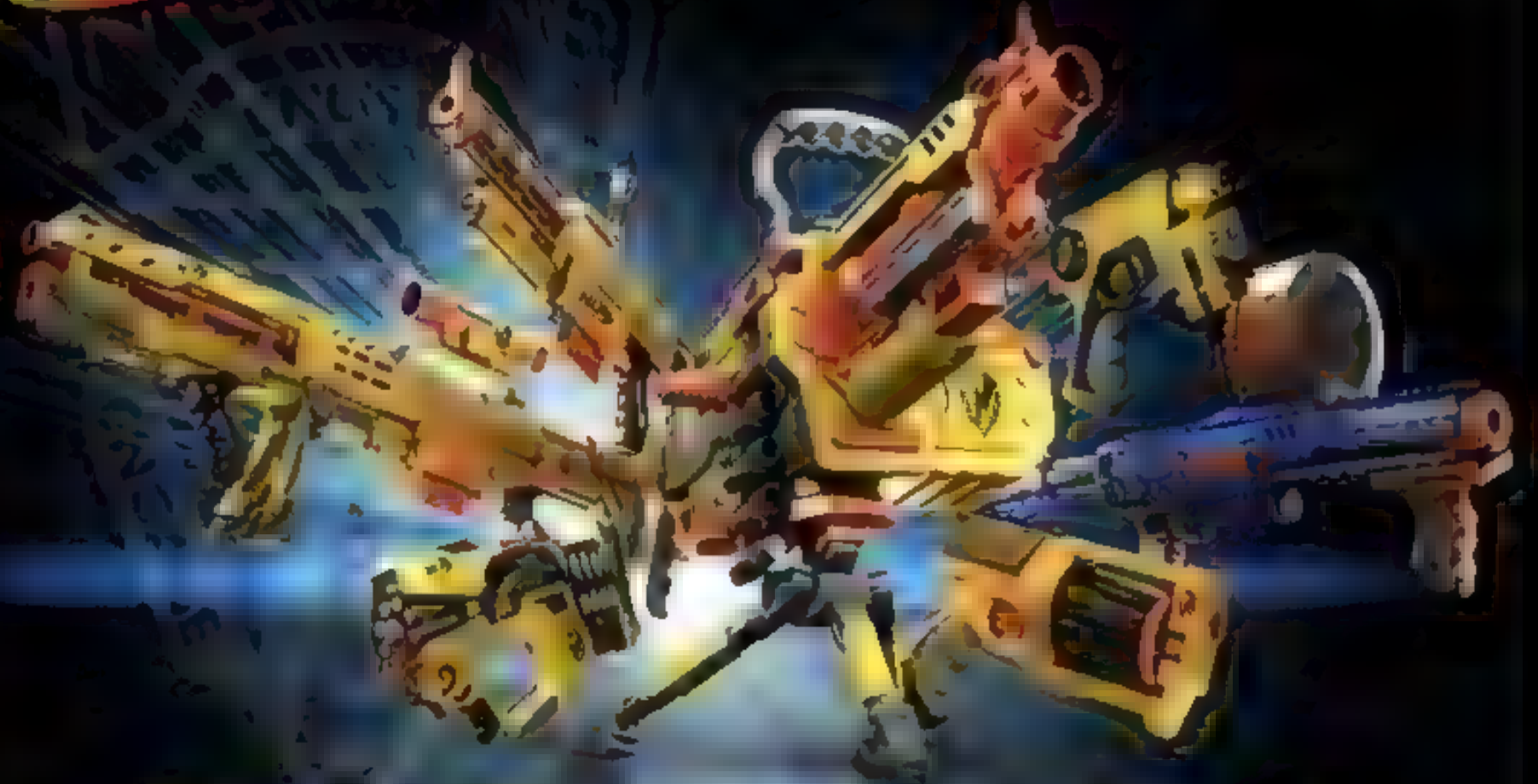


**Integrated Marketing**

From Board Game to

Global Brand Franchise

**NERF**



**It's NERF or Nothin'!**

**NERF**

**Nerf DNA**

**Performance**

**Action Sports**

**Innovation**

**Irreverence**

**Aspiration**

**Unbridled Teen Spirit**

**Achieve the Impossible**





# Total Brand Management

Entertainment



Product Innovation



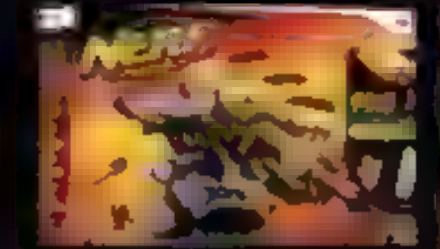
Lifestyle GEAR2PLAY



Advertising



Digital



DOUBLE  
YOUR  
DARTS!

Promotions

BATTLE  
AGTS

Social Media

NEW CLEAR  
THE WAY FOR  
9.9.10

Integrated Marketing

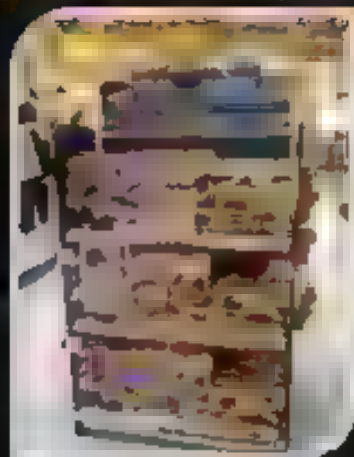




## Nerf Marketing Playbook

Connecting with NERF NATION - Building a leading sports action brand for the 8-16 year-old through focused marketing innovation.

### Win at Retail



- Win around the world
- Win with new categories
- Win with event launches

### Win on TV



- Win with breakthrough advertising
- Partner with music brands

### Win Online



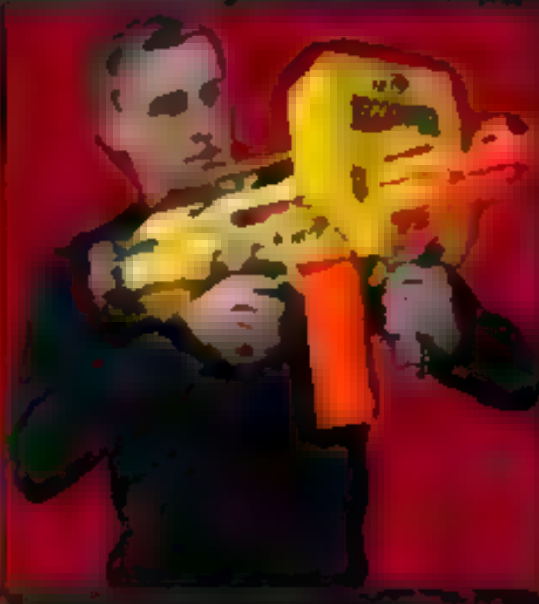
- Drive Nerf social media
- Build promotions to drive Nerf Nation!



Product Performance Innovation



09.09.09



09.09.10



09.10.11

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**NERF**

Winning at Retail Around the World

From  
Japan.



...to the UK

**NERF**

Breakthrough TV Advertising



# NERF

## Winning Online

Building NERF NATION via Social Media

### You Tube

Watch & share  
Nerf video  
content with  
community

### facebook

Join the Nerf  
Nation fan page  
and connect with  
other fans

### Twitter

Sign up to receive  
real-time Nerf  
updates/blogs, texts  
social networking

### E-Commerce

Create retail-specific  
promos within social  
media world for Nerf

### NERF.com

Destination for  
Nerf info, promos,  
news & events

### myspace

a place for friends

Leverage FTSK fans to  
build buzz (social  
portal/world's largest  
music community)





# BATTLE OF THE ADS

## Social Media Campaign

- 2010 Battle of the Ads promotion
- User-generated Nerf commercial contest allowing Nerf Nation to share their videos!
- Nerf Nation submits their videos for a chance to have their commercial air in primetime TV and to win \$10,000
- 1,500 ads submitted to date!
- 4.2MM page views!

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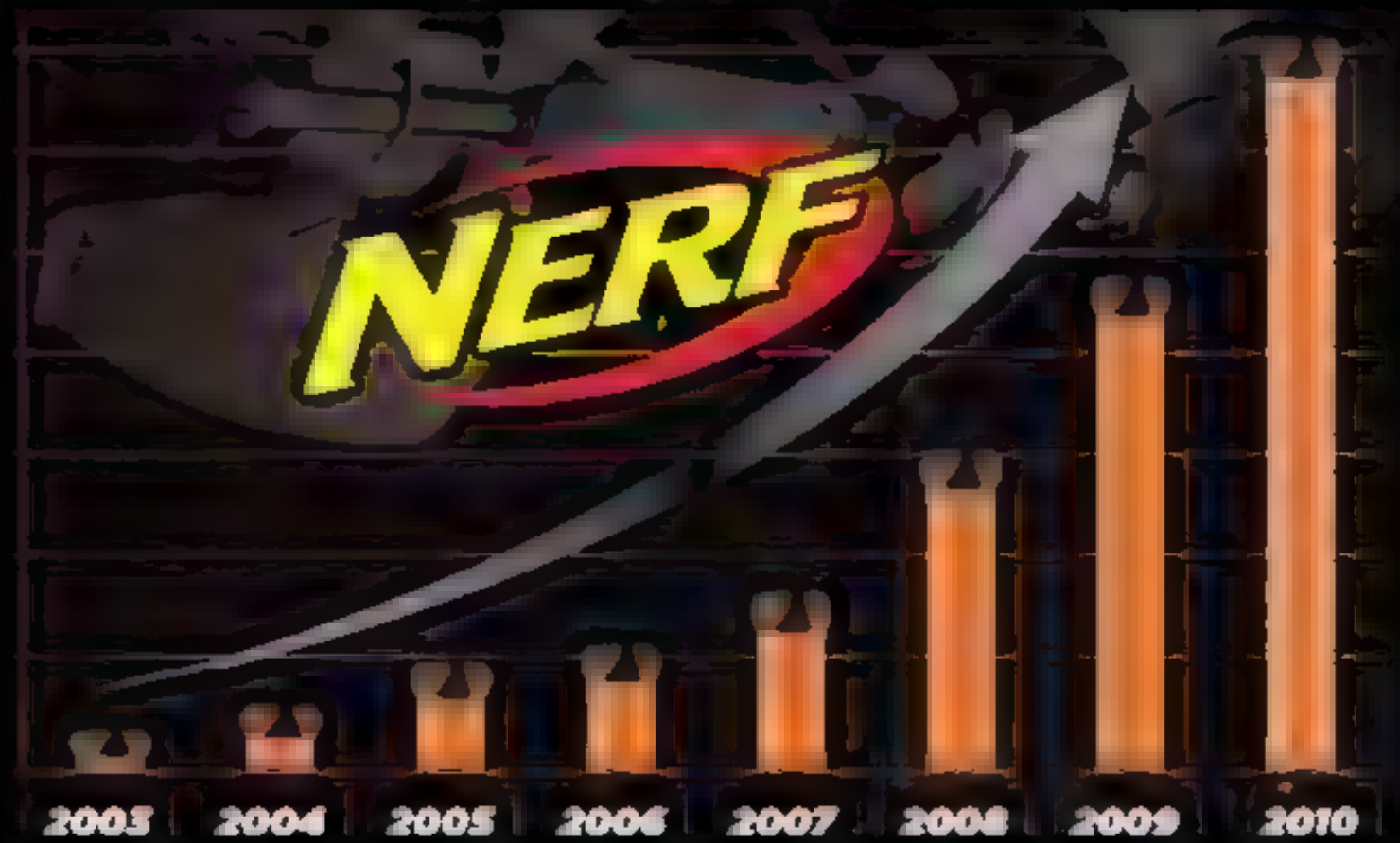
POINT



Video Playing in Room



Achieving the Impossible



## 2011 Priorities

MAGIC  
The Gathering

FurReal

FAMILY  
GAME  
NIGHT

STAR  
WARS

Jonko  
CHUCK  
• 5 FRIENDS •

MONOPOLY

MARVEL

123  
SESAME STREET

my LITTLE  
PONY

TRANS  
FORMERS

NERF



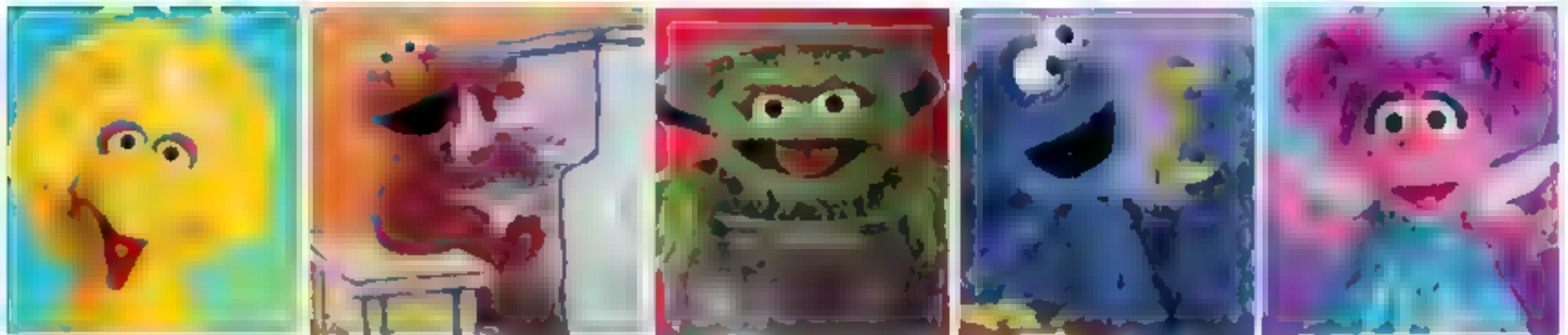
BEYBLADE

Play-Doh



123  
**SESAME STREET**

Sesame Street...Coming Fall 2011!



- Amazing **Portfolio of Characters**
- Trusted by **Parents**
- Loved by **Girls and Boys**
- **Interactivity** and **Learning**
- Year Round **Business**



# A Golden Opportunity... in over 140 countries





## Chuck Becomes a Star!



TV Show  
on the  
HUB

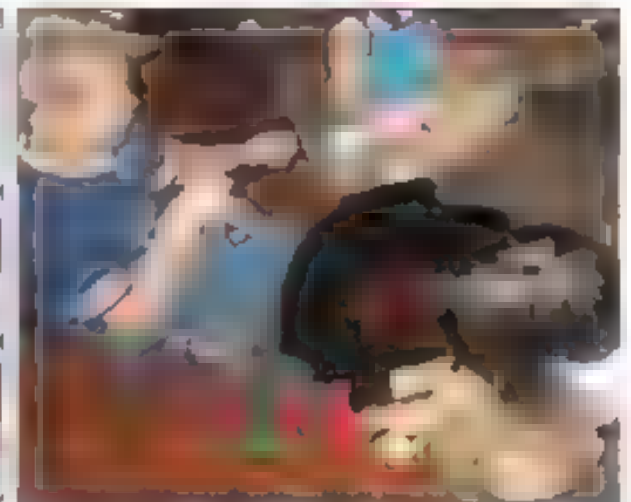
Over 30MM  
trucks sold  
in just 2  
years!



Direct to  
Retail Movie  
coming in  
Spring 2011

Over 1.5MM  
Chuck  
books in  
kids' hands  
in 2010





- Launched in **22 countries** in 2010
- Will be in **44 total countries** by 2011
- **15 million** Beyblades tops sold in 2010



# ***Beybladebattles.com***



- **30-35%** Online Code Redemption Rate
- **1.5 Million** battles at Beybladebattles.com
- **750+** unique users since launch
- **23 minutes** average visit





# STAR WARS 3-D!



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# MAGIC

The Gathering®



MAGIC 2012

# MAGIC

The Gathering®

SUMMER PAPER & DIGITAL LAUNCH



MAGIC 2012  
CORE SET




MAGIC 2012  
CORE SET



MAGIC 2012

MAGIC 2012



HOBBY STORES

DIGITAL MARKETPLACE

MASS MARKET

MAGIC 2012

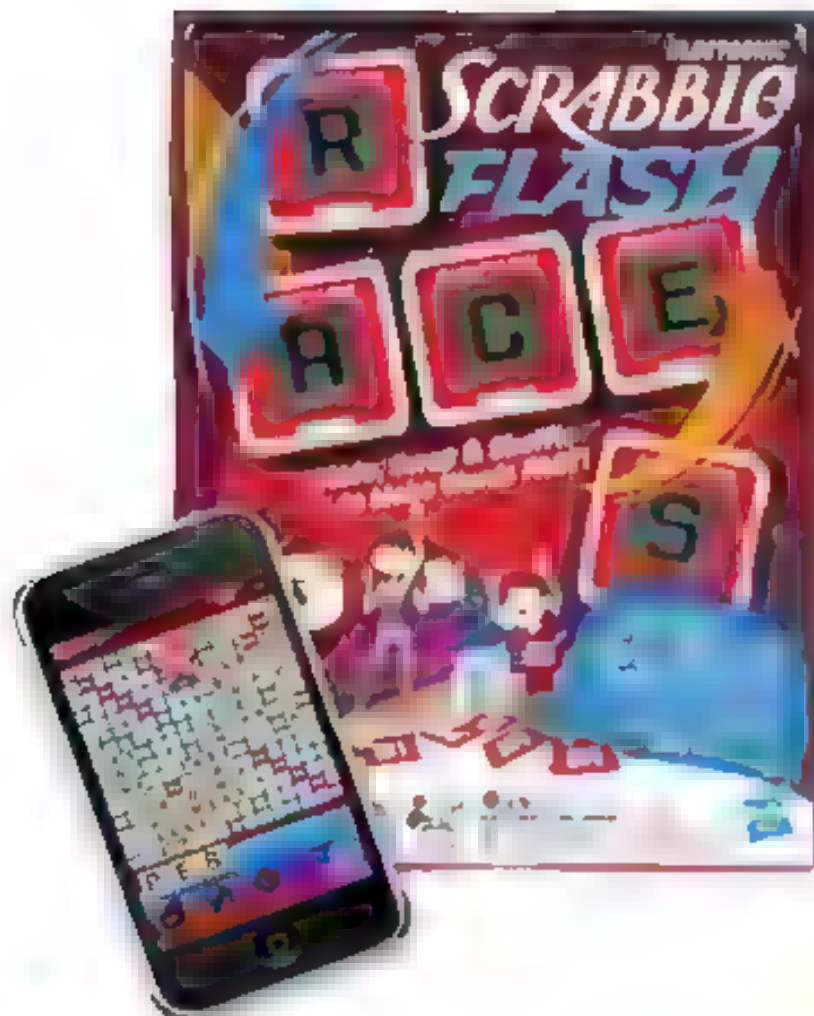
# Innovation Drives Success



**Parents**  
Best Toys 2010



# Global Word Games



# A Global Brand Franchise





## Top Partners



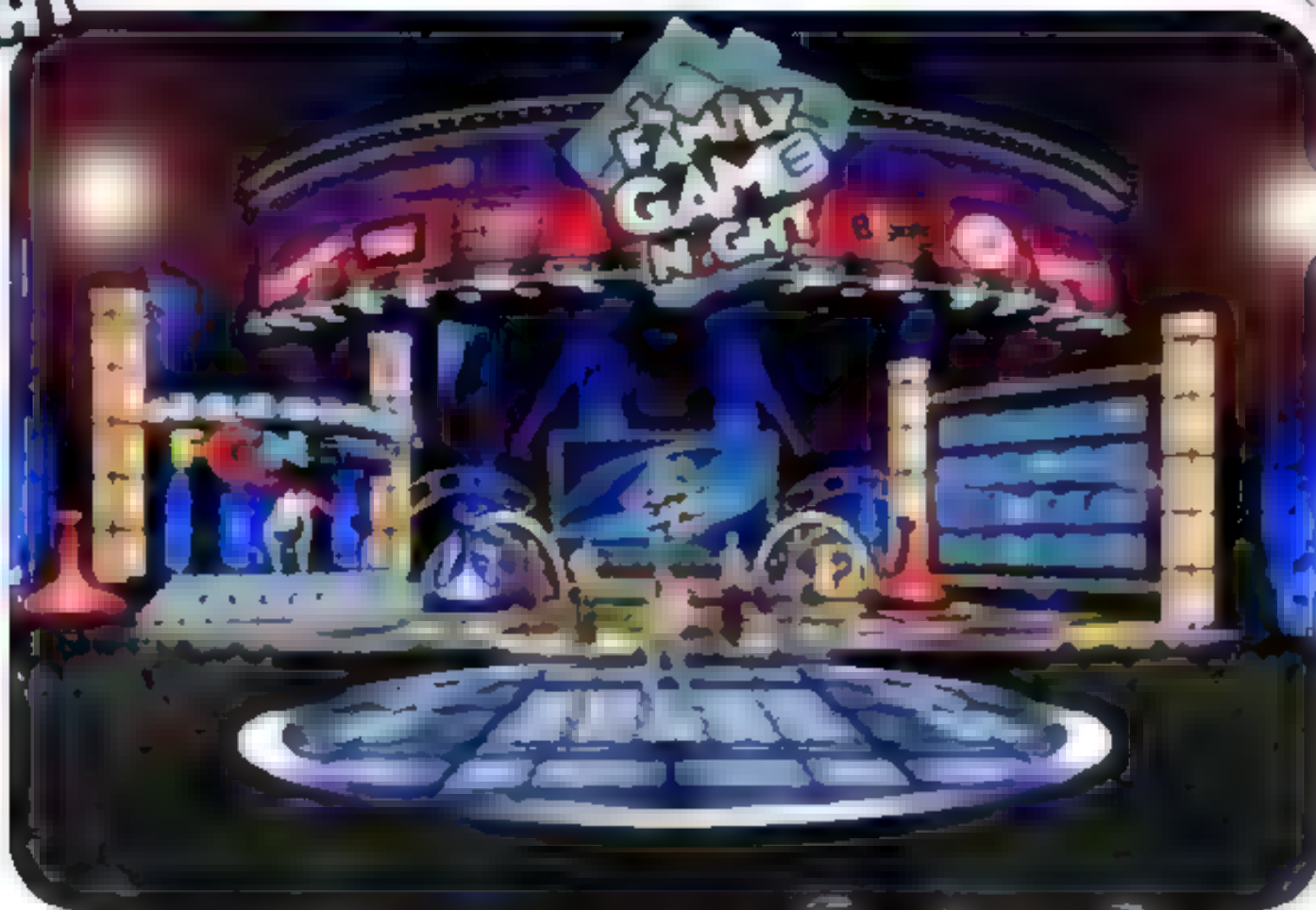
*Kellogg's*





Highest Rated Show

hub

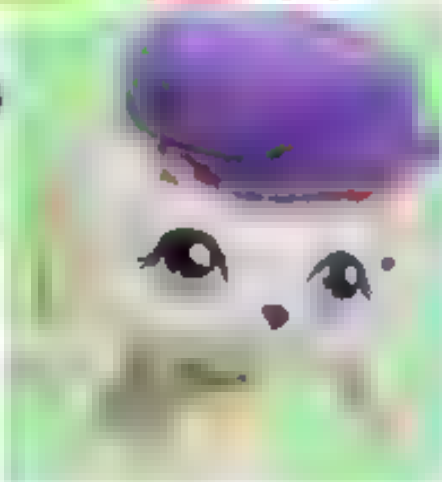


Best Year Ever



Snuggimals







Duncan Billing, Chief Development Officer



90%

of Hasbro sales in the  
foreseeable future is  
expected to come from  
our **Toy and Game** business



# Global Development Organization

**gdo**  
global development organization



DEVELOPMENT  
PROCESS

Best Ideas

world  
class  
innovation

Best Execution



# Innovation Strategic Objective

**Achieve**  
Consistent and  
Sustainable  
**INCREMENTAL**  
Sales and  
Profit Growth



INVESTOR DAY

2010



Audio Only

# Our Consumers

Preschool



Boys



Girls



Tweens & Teens



Family



Adult



2011



INVESTOR DAY

2010



Audio Only

## Summary

Toys &  
Games  
expected to be  
**90%+**  
of sales

Product  
Innovation  
feeds our  
**brand  
growth**

**Best**  
in class





New  
**Category**

.....

New  
**Business**

.....

New  
**Brand**



## Hasbro unveils device that promises 3-D on iPod

Hasbro markets to iPhone and iPod Touch users with new handheld device that promises 3-D

**AP Associated Press**

[Share](#)

[Comment 1](#)

[Email](#)

[Print](#)

Companies: Apple Inc. | Hasbro Inc.



In this product image provided by Hasbro Inc., the My3D is displayed. The toy is a second-largest toy maker is set to unveil to investors on Tuesday a handheld device called My3D that attaches to the two Apple Inc. devices. It promises three-dimensional content that offers a 360-degree experience in gaming, virtual travel experiences and entertainment content. It's aimed at both children and adults.

Anna C. Maricenko, AP Retail Writer, On Monday November 8, 2010 3:16 pm

**NEW YORK (AP)** — Hasbro Inc. is betting that iPod and iPhone users want 3-D viewing on the go.

The nation's second-largest toy maker is set to unveil to investors on Tuesday a handheld device called My3D that attaches to the two Apple Inc. devices. It promises three-dimensional content that offers a 360-degree experience in gaming, virtual travel experiences and entertainment content. It's aimed at both children and adults.

The device, which resembles a pair of binoculars with a slot in which users insert their iPod or iPhone, will be priced at \$30. It will be available starting next spring at stores where Apple's iPhones and iPod Touches are available.

**Radical Innovation**  
New Brands



More  
to come  
at Toyfair  
2011





**Simon Waters**

SVP Global Brand Licensing & Fulfillment





Building a sustainable  
lifestyle business



# License! <sup>GLOBAL</sup>



1 **DISNEY CONSUMER PRODUCTS**



2 **ICONIX BRAND GROUP**



3 **PHILLIPS-VAN HEUSEN**



4 **WARNER BROS. CONSUMER PRODUCTS**



5 **NICKELODEON & VIACOM CONSUMER PRODUCTS**

## top 125 global licensors

In its exclusive report on the world's top brands and licensors, *License! Global* has a special feature in this special feature the Top 125 Licensing Companies.



6 **MAJOR LEAGUE BASEBALL**



7 **SANRIO**



8 **MARVEL ENTERTAINMENT**



9 **HASBRO**



Yahtzee



CANDY LAND



Baby Alive



MONOPOLY



BOGGLE



CLUE



Ouija

Twister



TRIVIAL PURSUIT



Pictureka!



OPERATION



Tonka

i-dog



SORRY!



Super Soaker



# Ages & Stages

Infant	Toddler	Young Girls	Older Girls	Young Boys	Older Boys	Family	Adult
							
							



INVESTOR DAY

2010



Audio Only





EXPERIENCE



**PLAYSKOOL**

connection



INVESTOR DAY

POINT



Video Playing in Room

F<sub>4</sub> R<sub>1</sub> A<sub>1</sub> N<sub>1</sub> C<sub>3</sub> H<sub>4</sub> I<sub>1</sub> S<sub>1</sub> E<sub>1</sub>  
P<sub>3</sub> R<sub>1</sub> O<sub>1</sub> D<sub>2</sub> U<sub>1</sub> C<sub>3</sub> T<sub>1</sub>  
R<sub>1</sub> E<sub>1</sub> T<sub>1</sub> A<sub>1</sub> I<sub>1</sub> L<sub>1</sub>  
P<sub>3</sub> E<sub>1</sub> O<sub>1</sub> P<sub>3</sub> L<sub>1</sub> E<sub>1</sub>

F<sub>4</sub> R<sub>1</sub> A<sub>1</sub> N<sub>1</sub> C<sub>3</sub> H<sub>4</sub> I<sub>1</sub> S<sub>1</sub> E<sub>1</sub>

# FRANCHISE

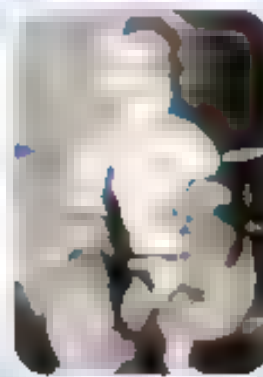
MEGA BRAND



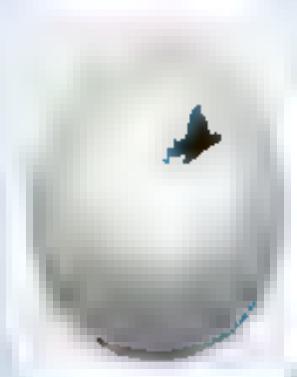
EVENTS



DEVELOP



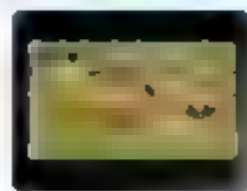
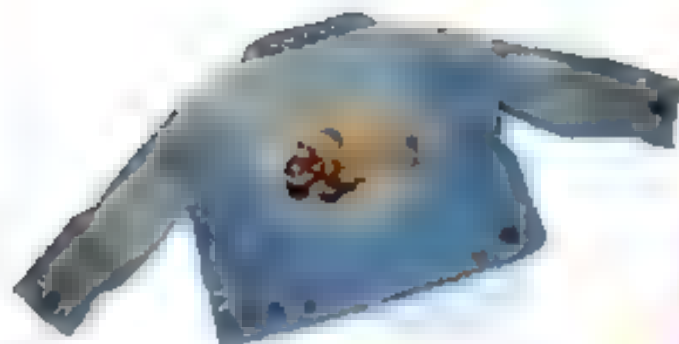
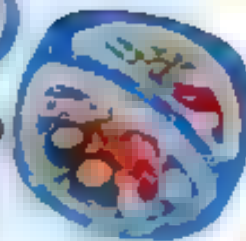
INCUBATE



P<sub>3</sub> R<sub>1</sub> O<sub>1</sub> D<sub>2</sub> U<sub>1</sub> C<sub>3</sub> T<sub>1</sub>



P R O D U C T



P R O D U C T

LICENSED  
STUFF





- ✓ positioning
- ✓ on brand
- ✓ tells a story
- ✓ value features
- ✓ mom benefits
- ✓ high quality



P R O D U C T



P R O D U C T



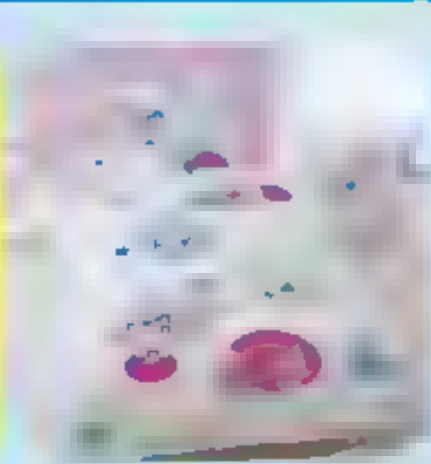
P R O D U C T



P R O D U C T



APPAREL



HOME



FOOD



PUBLISHING



Accessories



Toy

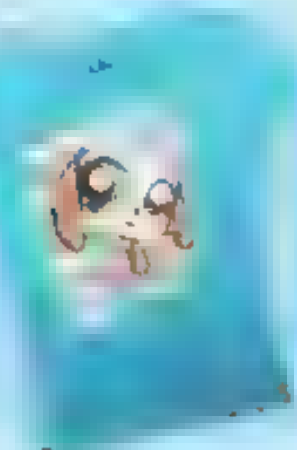


Electronics



Health & Beauty

P R O D U C T



APPAREL



HOME



FOOD



PUBLISHING



Accessories



Toy

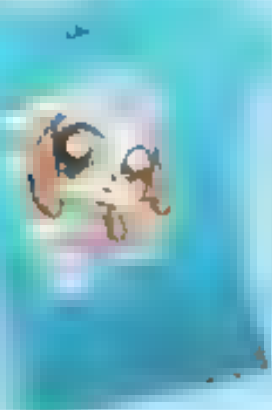


Electronics



Health & Beauty

P R O D U C T



APPAREL



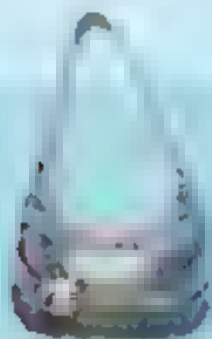
HOME



FOOD



PUBLISHING



Accessories



Toy

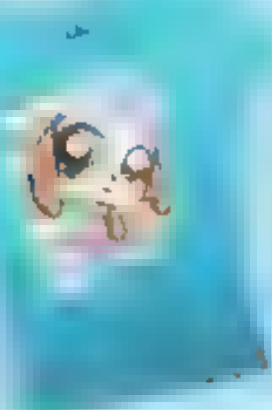


Electronics

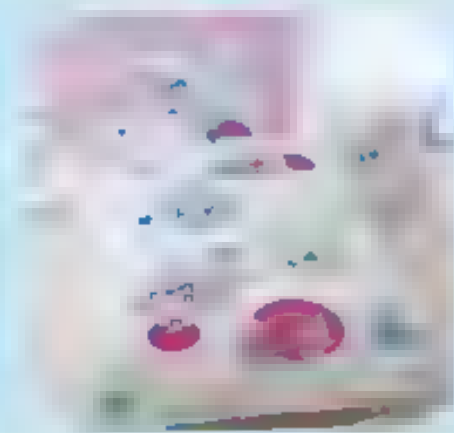


Health & Beauty

P R O D U C T



APPAREL



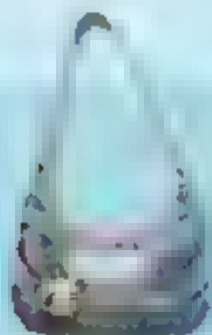
HOME



FOOD



PUBLISHING



Accessories



Toy



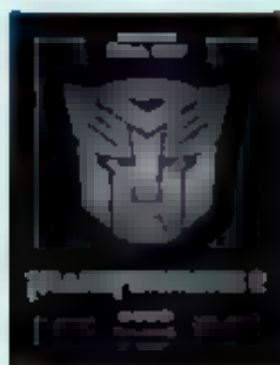
Electronics



Health & Beauty

P|R|O|D|U|C|T

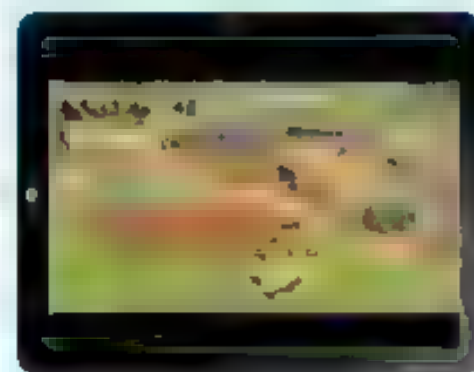
THEATRICAL & DVD



TV



PUBLISHING



P|R|O|D|U|C|T

THEATRICAL & DVD



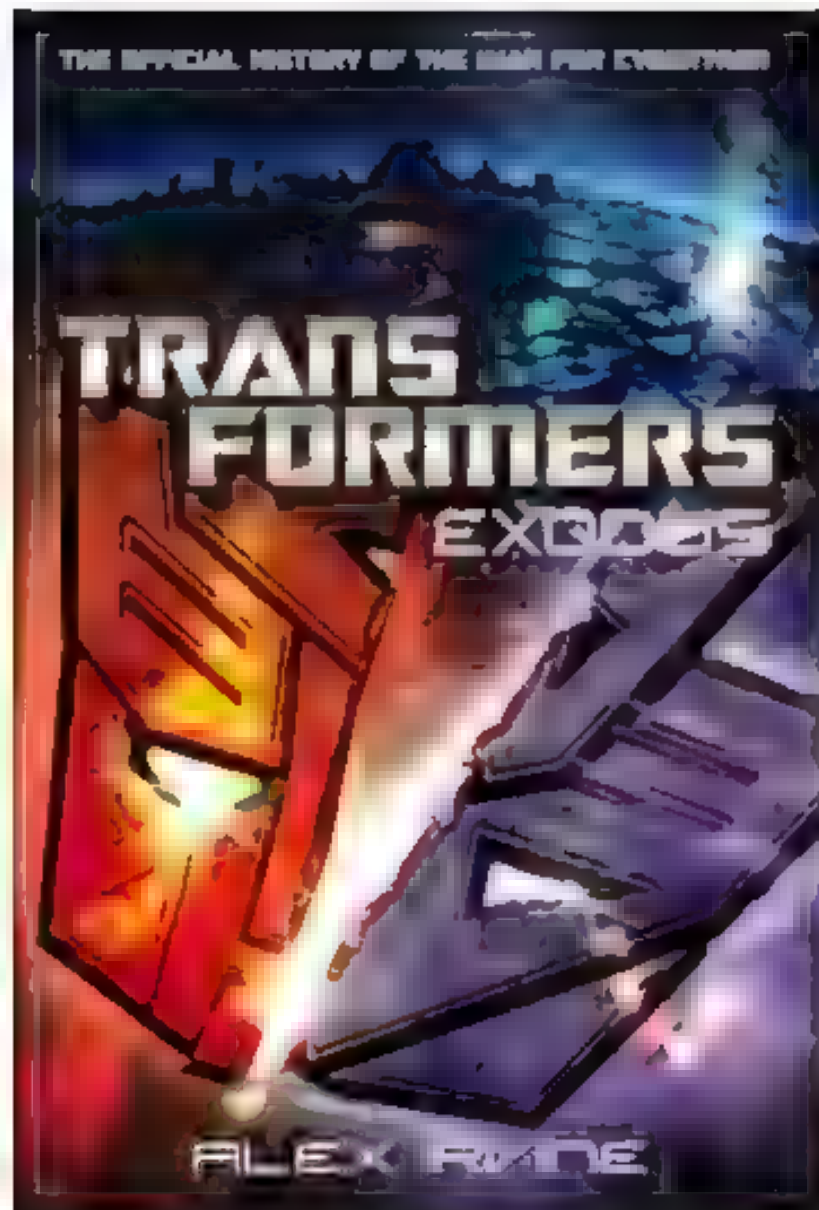
TV



PUBLISHING



P R O D U C T





P R O D U C T



R<sub>1</sub> E<sub>1</sub> T<sub>1</sub> A<sub>1</sub> I<sub>1</sub> L<sub>1</sub>

Hasbro

LEGO

RCUS





INVESTOR DAY

2010



Audio Only

INVESTOR DAY

2010



Audio Only

INVESTOR DAY

2010



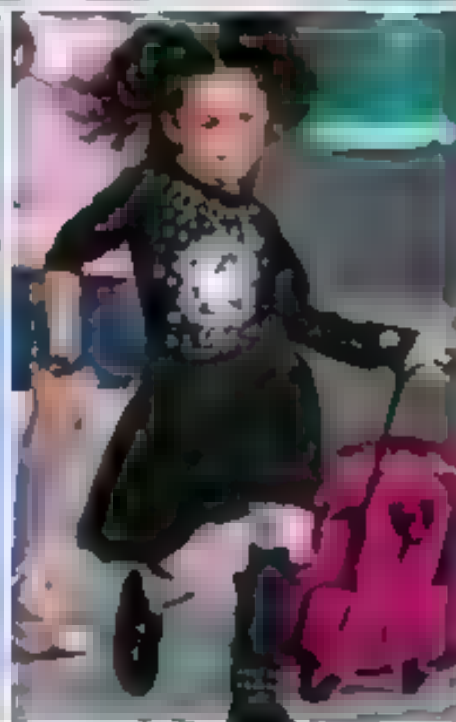
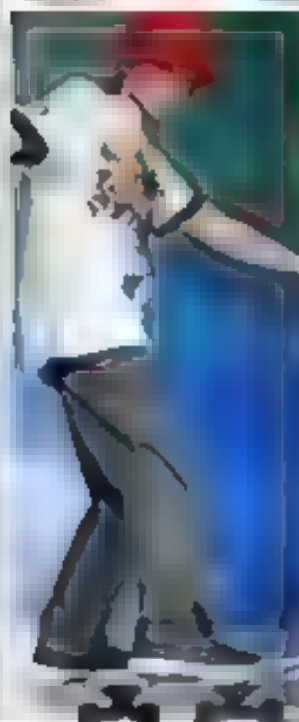
Audio Only

PEOPLE





**2010**  
**9TH** ANNUAL  
& LICENSING  
AWARDS  
**SUMMIT**  
FASHION SHOW



F<sub>4</sub> R<sub>1</sub> A<sub>1</sub> N<sub>1</sub> C<sub>3</sub> H<sub>4</sub> I<sub>1</sub> S<sub>1</sub> E<sub>1</sub>  
P<sub>3</sub> R<sub>1</sub> O<sub>1</sub> D<sub>2</sub> U<sub>1</sub> C<sub>3</sub> T<sub>1</sub>  
R<sub>1</sub> E<sub>1</sub> T<sub>1</sub> A<sub>1</sub> I<sub>1</sub> L<sub>1</sub>  
P<sub>3</sub> E<sub>1</sub> O<sub>1</sub> P<sub>3</sub> L<sub>1</sub> E<sub>1</sub>

INVESTOR DAY

POINT



Video Playing in Room



**Bennett Schneir**

SVP & Managing Director, Motion Picture

**Entertainment Motion Pictures**



INVESTOR DAY

2010



Audio Only

# HOLLYWOOD HIT MAKERS



DIRECTOR:  
**Michael Bay**



EXECUTIVE PRODUCER:  
**Steven Spielberg**



PRODUCER.  
**Lorenzo di Bonaventura**

# TRANSFORMERS



INVESTOR DAY

2010



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## STAR-STUDED CAST



**SHIA LABEOUF**

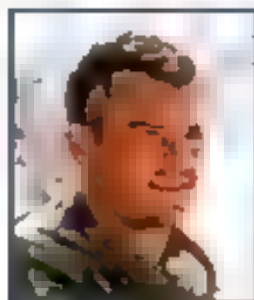
Returning as SAM WITWICKY



**TRANSFORMERS 3**



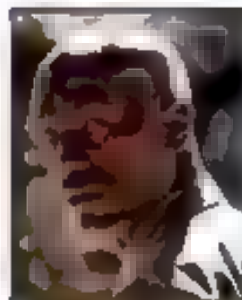
## STAR-STUDDED CAST



**JOSH DUHAMEL**  
Returning as MAJOR LENNOX



**JOHN TURTURRO**  
Returning as SIMMONS



**TYRESE GIBSON**  
Returning as SERGEANT EPPS

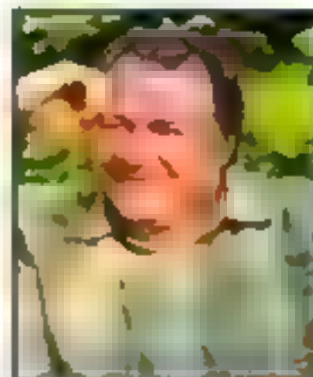
**TRANS  
FORMERS 3**



## STAR-STUDDED CAST

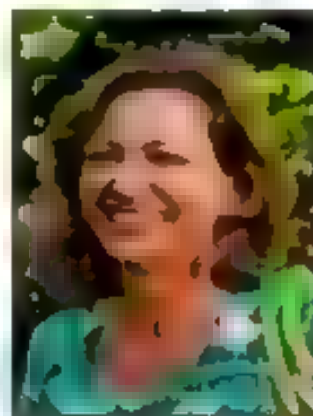
**KEVIN DUNN**

Returning as *RON WITWICKY*



**JULIE WHITE**

Returning as *JUDY WITWICKY*



**TRANS  
FORMERS 3**

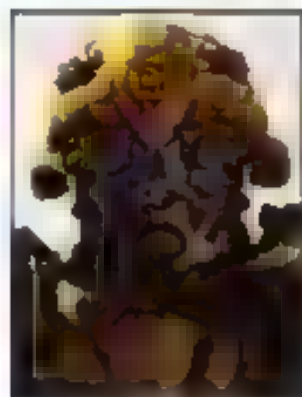


## STAR-STUDDED CAST



**OPTIMUS PRIME**

Returning as *OPTIMUS PRIME*



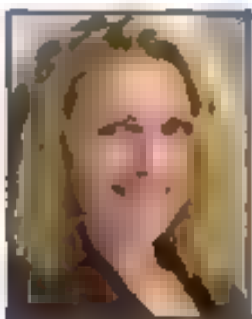
**BUMBLEBEE**

Returning as *BUMBLEBEE*

**TRANS  
FORMERS 3**



## STAR-STUDDED CAST



FRANCES McDORMAND



PATRICK DEMPSEY

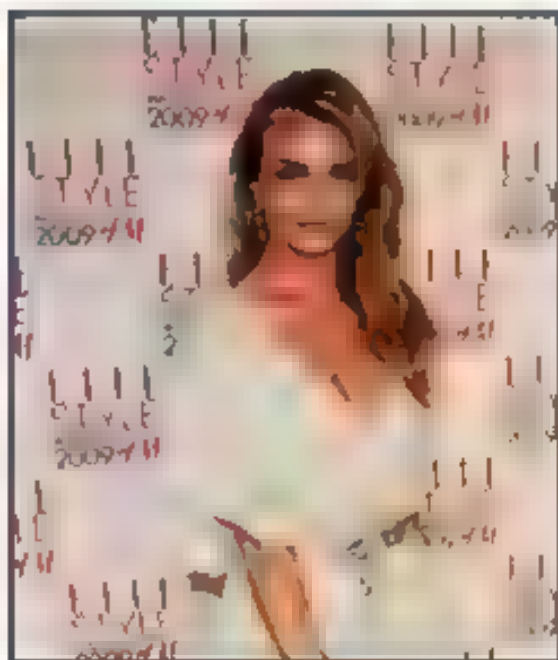


JOHN MALKOVICH

**TRANS  
FORMERS 3**



## STAR-STUDDED CAST



And Introducing...

**ROSIE HUNTINGTON WHITELEY**

**TRANS  
FORMERS 3**



INVESTOR DAY

2010



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INVESTOR DAY

2010



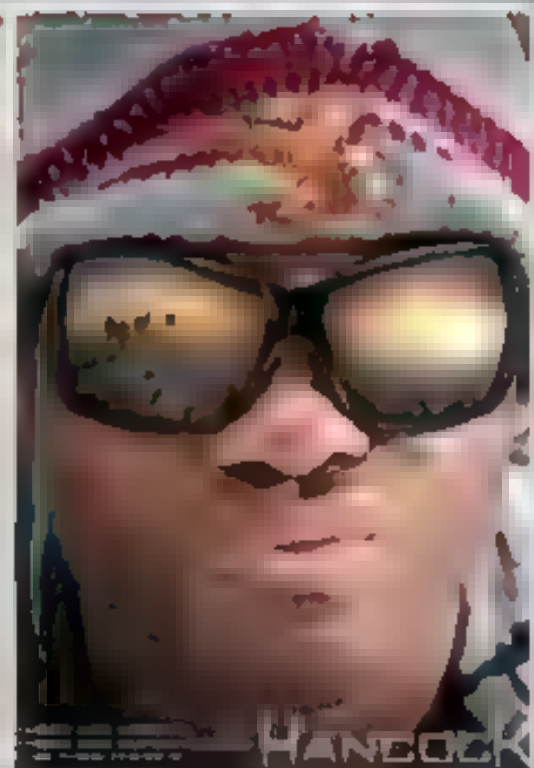
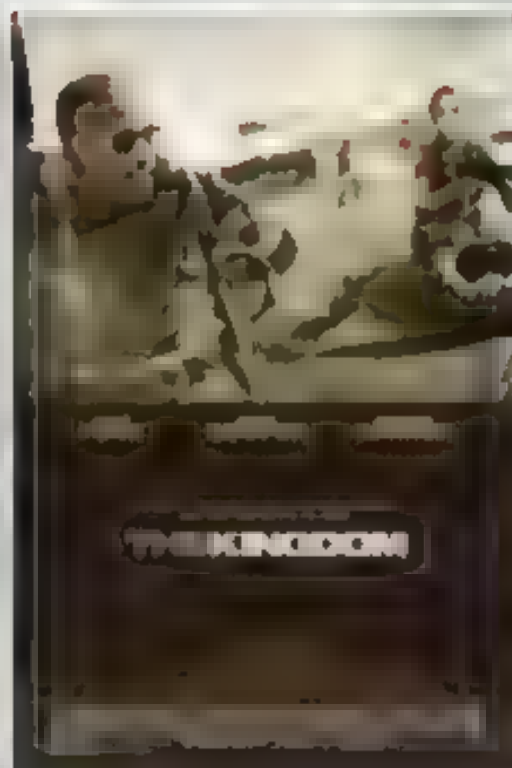
Audio Only

# 1967



- Over **\$1 Billion** In Lifetime Sales
- More Than **100 Million** Sold To Date
- A Global Brand In Over **30 Countries**

## Director Peter Berg



# TAYLOR KITSCH

Hol, young actor Taylor Kitsch (X-Men Origins: Wolverine, Friday Night Lights Television Series) will star as Destroyer Commander Alex Hopper

25 FAT-BURNING SUPERFOODS

## Men's Health

**GAIN  
MUSCLE,  
LOSE  
POUNDS**

**DRESS FOR  
MORE SEX  
GREAT ABS!**

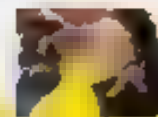
**Eat Better,  
Think Smarter**

**1.293**

COOK, NO-WAY TO GET FITTER,  
THE 50 BEST TIPS FOR



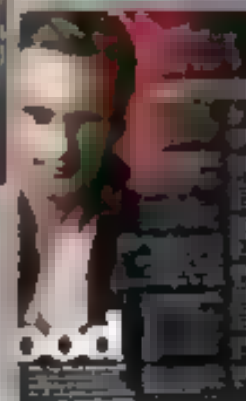
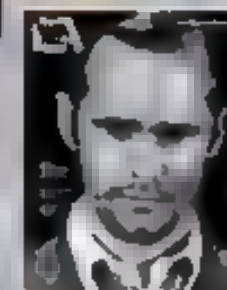
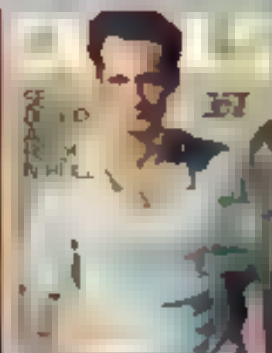
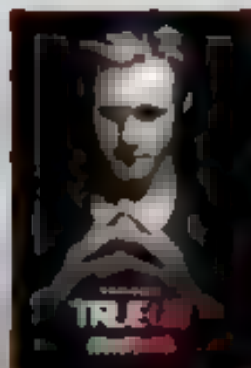
**WOLVERINE'S  
SECRET  
WEAPON**



**"ROLLING STONE'S  
2009 HOT LIST"**

# ALEXANDER SKARSGARD

- Best known for his role on the hit HBO Series *True Blood*
- Will star as Naval Officer Stone Hopper



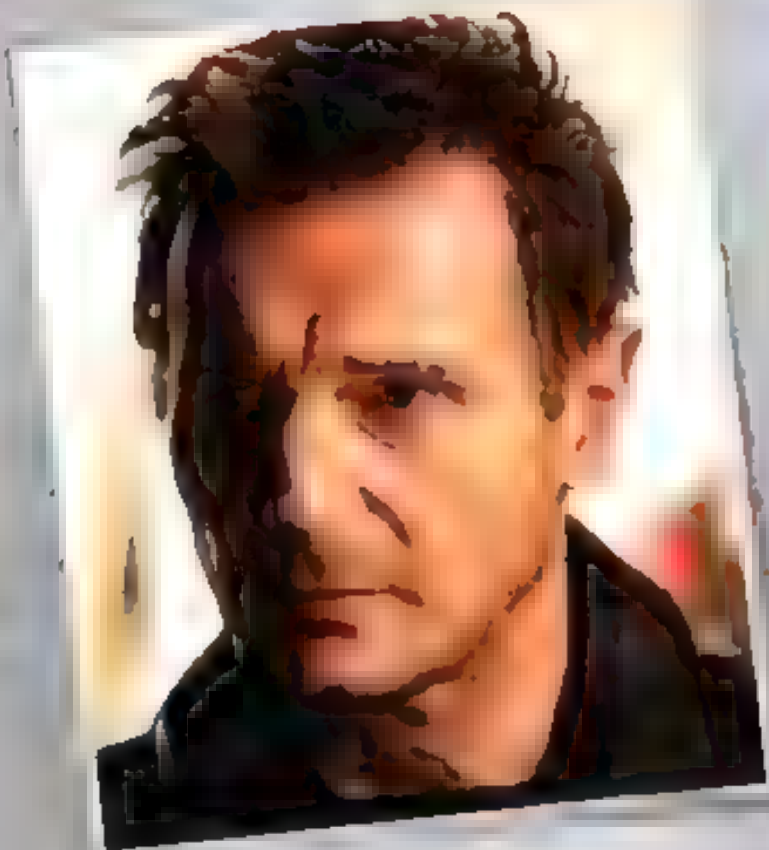
# BROOKLYN DECKER

Actress and model Brooklyn Decker will star as Samantha, a physiotherapist for the Navy and Hopper's fiancé



# LIAM NEESON

Academy Award nominated Actor Liam Neeson will star as Admiral Shane (Chief Officer of the Naval Fleet and Samantha's (Brooklyn Decker) father)



# RIHANNA

International Superstar Rihanna makes her film debut as Lieutenant Commander Cora Raikes (AKA WEPS) Hopper's Weapons Officer

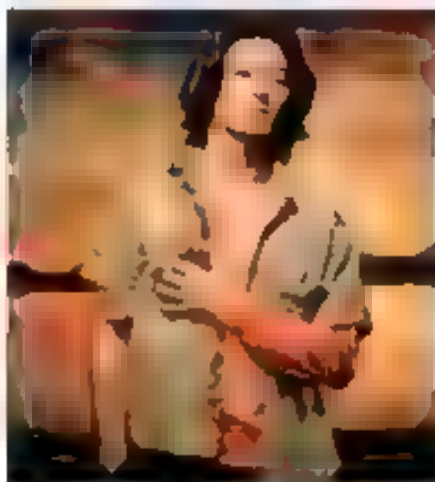


**JESSE PLEMENS & JOHN TUI**



# TADANOBU ASANO

Tadanobu Asano, one of Japan's biggest movie stars, joins the cast as Captain Yugi Nagata



## Tokyo Psycho

Tadanobu Asano has made a name for himself playing misfits and bad boys. Now he faces a wider prospect: stardom

By Dave Karger

B

TIME



INVESTOR DAY

POINT



Video Playing in Room

## Marketing Campaign



Universal Pictures will develop a multi-million dollar marketing campaign establishing the release of the film as a motion picture event

The poster features a dark, atmospheric background with a faint, glowing face in the upper center. The title 'Ouija' is prominently displayed in a large, white, serif font with a subtle glow. Below the title, the release date 'November 11, 2017' is written in a smaller, white, serif font. The background is a close-up of a wooden Ouija board with its characteristic planchette and spirit names. The overall color palette is dark and moody, with shades of brown, black, and white.

# Ouija<sup>®</sup>

November 11, 2017

# Producer Michael Bay

MARTIN LAWRENCE WILL SMITH

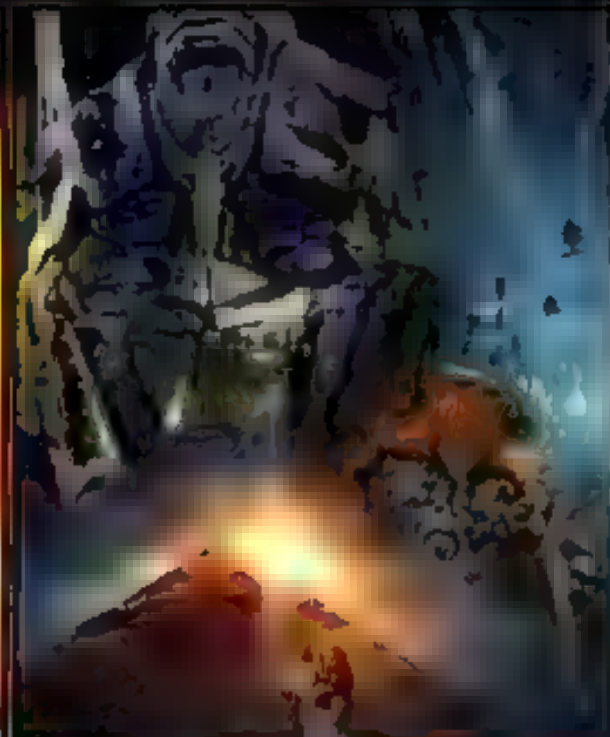
## BAD BOYS



WHATCHA GONNA DO?



ARMAGEDDON



TRANSFORMERS  
REVENGE OF THE FALLEN

THE TRANSFORMERS  
RETURN TO THE SCREEN  
IN A MASSIVE ACTION ADVENTURE  
ONLY IN THEATERS



2013 and beyond...

INVESTOR DAY

2010



Audio Only

**Starring Taylor Lautner**



# Director Rob Letterman



Coming January 2011  
Starring Jack Black

# Writer Nick Stroller



INVESTOR DAY

2010



Audio Only

# Director Kevin Lima



INVESTOR DAY

2010



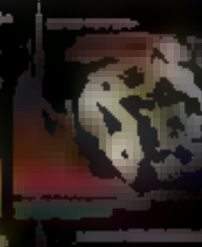
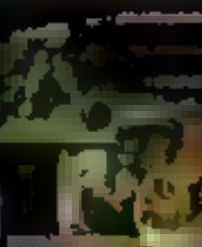
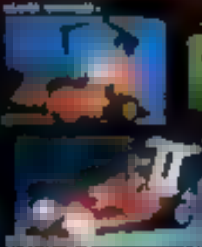
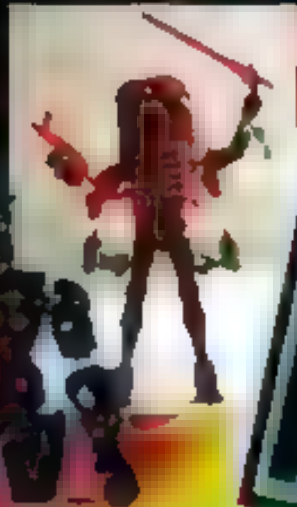
Audio Only

*Paramount*

A VIACOM COMPANY

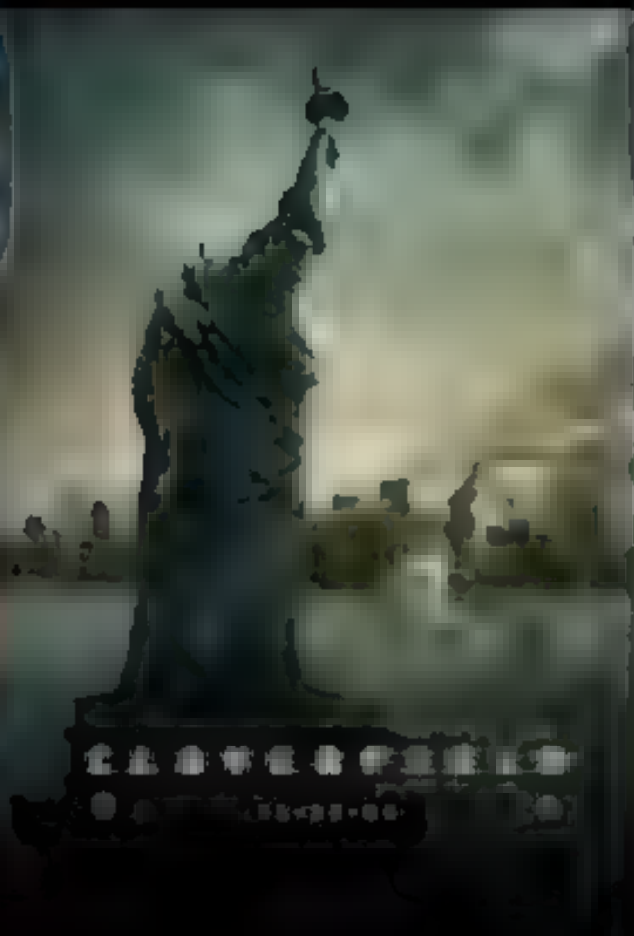
# G.I. JOE 2

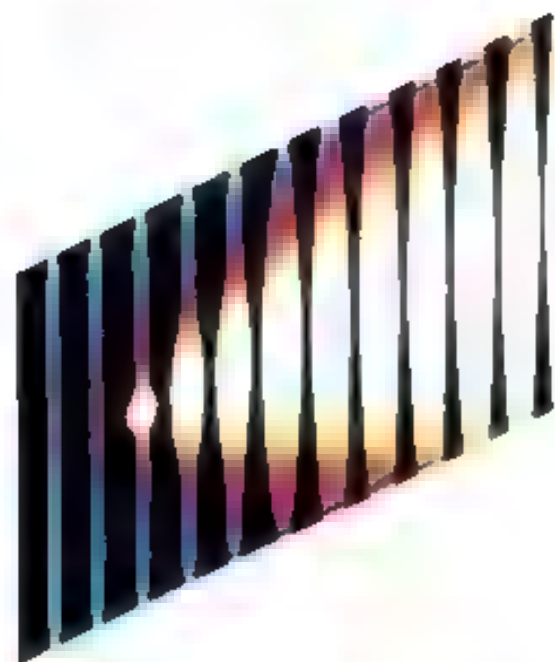




**MICRONAUTS**

Producer JJ Abrams



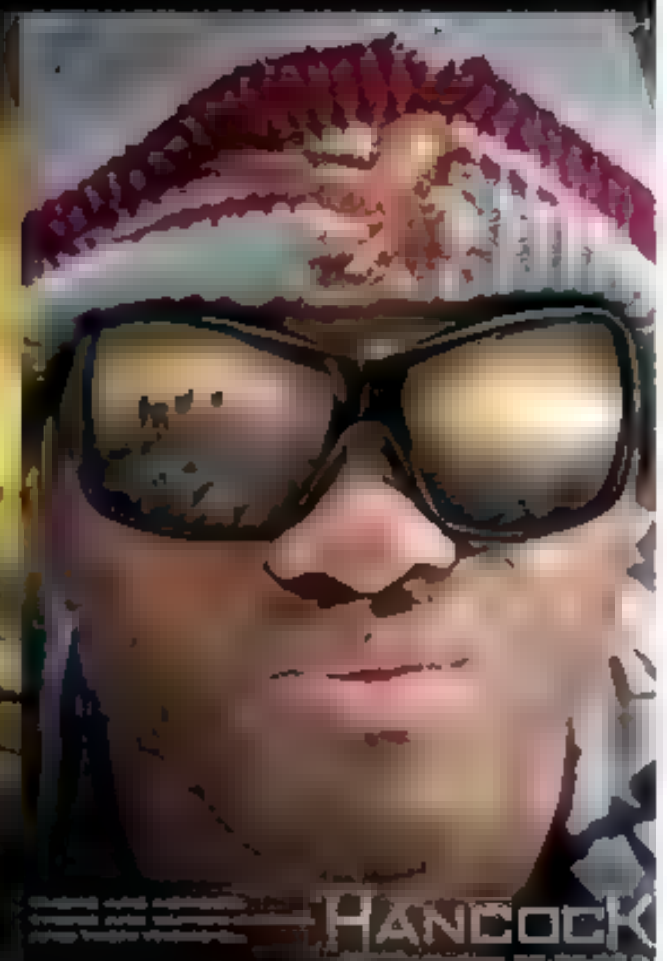
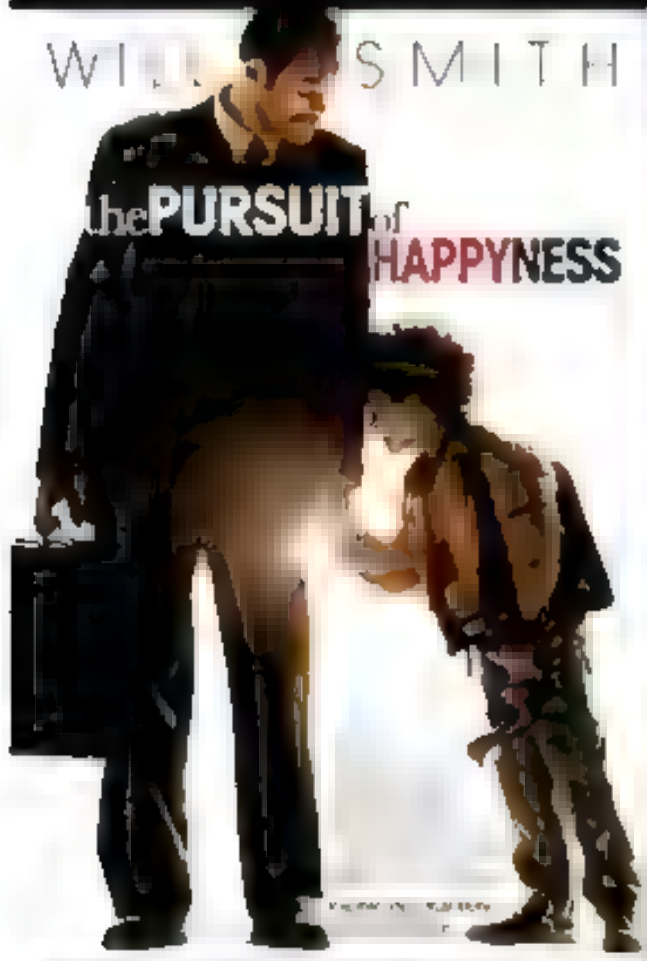


**SONY**  
**PICTURES**

IRISK

# Producers

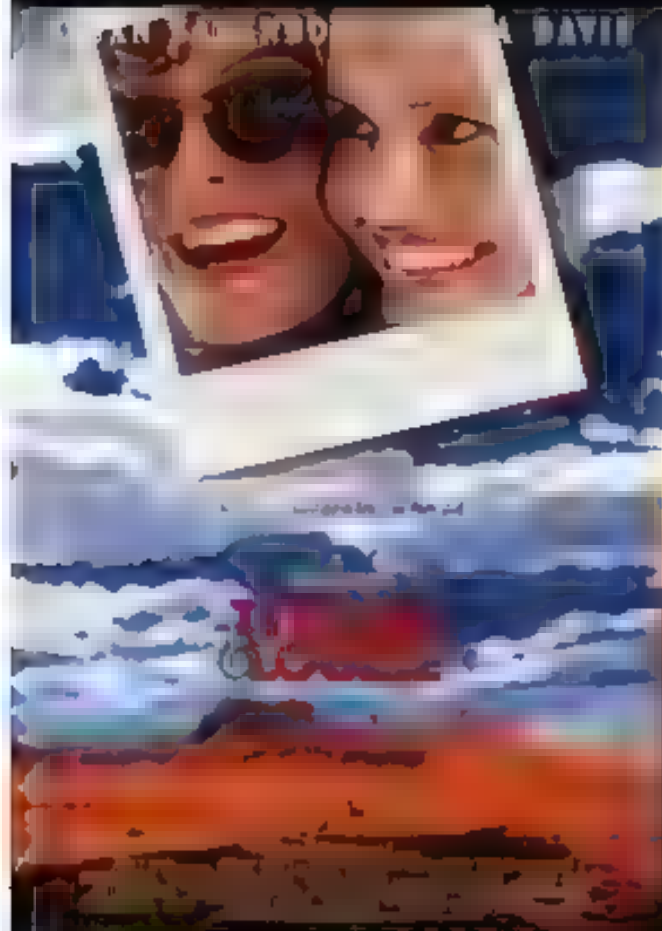
Will Smith, James Lassiter – Overbrook Entertainment





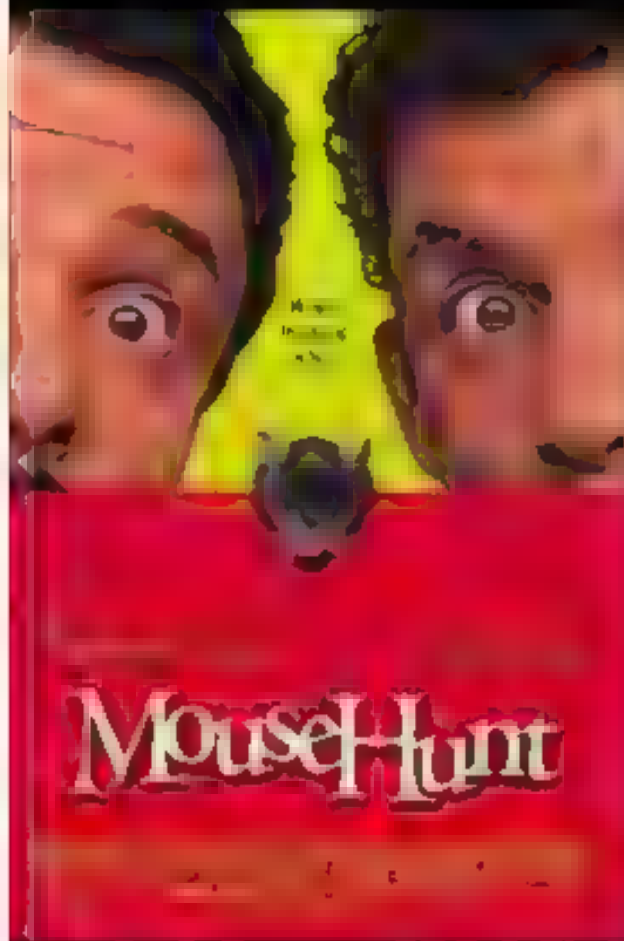
**MONOPOLY**

# Director Ridley Scott





# Director Gore Verbinski



**BATTLESHIP**

**TRANS  
FORMERS**

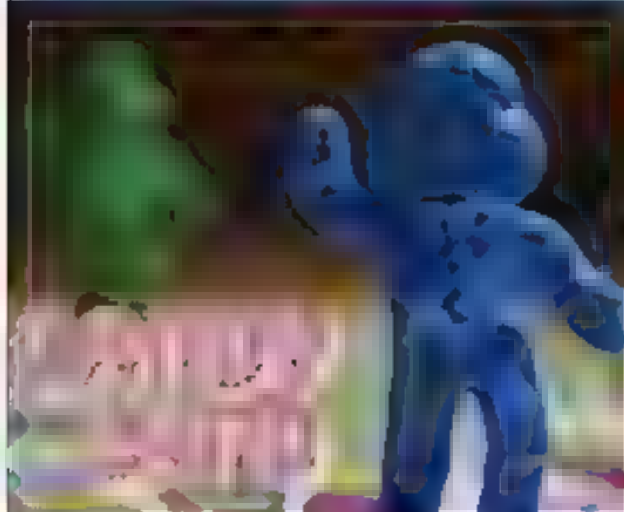
**G.I. JOE**  
THE RISE OF COBRA

**STRETCH  
ARMSTRONG**

**MICRONAUTS**

**OUIJA**  
BIG US PAT OFF  
MYSTIFYING ORACLE  
MC EMMETT, OFF

**RISK**



**MONOPOLY**

FREE





Stephen Davis

# Hasbro Studios: What We Are All About



Studio Established In August of 2009

Create and Distribute Highest  
Quality Programming

Further Optimize Enterprise  
Value of Hasbro Brands

**Hasbro**  
STUDIOS

INVESTOR DAY

2010



Audio Only

## 2010 Shows: What's Next



Continuing to roll out  
new and compelling  
programming post-launch:

*Transformers: Prime* five-episode  
mini-series event to launch  
on November 26

**Hasbro**  
STUDIOS

## 2010 Shows: What's Next



Continuing to roll out  
new and compelling  
programming post-launch:

*Transformers Prime* five-day  
mini-series event to launch  
on November 26

*G.I. Joe Renegades* to launch  
on November 26

**Hasbro**  
STUDIOS

## 2010 Shows: What's Next



Continuing to roll out  
new and compelling  
programming post-launch:

*Twisted Metal: Frenzy* TV  
mini-series event to launch  
on November 26

*G.I. Joe: Renegades* to launch  
on November 26

*Taylor Swift: "Sassy Little F---er"*

**Hasbro**  
STUDIOS

## 2010 Shows: What's Next



**Continuing to roll out  
new and compelling  
programming post-launch:**

*Transformers Prime* five-day  
mini-series event to launch  
on November 26

*G.I. Joe Renegades* to launch  
on November 26

*Toy Story* animated shorts to follow

HubWorld premiered on  
November 5

**Hasbro**  
STUDIOS

INVESTOR DAY

POINT



Video Playing in Room

## International Distribution

- 200+ potential new markets worldwide
- Shows expected to air in various international markets in Q3 2011
- Pursuing international co-productions where it makes creative and financial sense
- Developing local production opportunities, especially around game show formats

**Hasbro**  
STUDIOS

INVESTOR DAY

2010



Audio Only

INVESTOR DAY

2010



Audio Only

# International Update: Immediate Priorities



## Europe

- France
- Germany
- Scandinavia
- Spain
- UK
- Italy

## Asia Pacific

- China
- Japan
- Australia

## Middle East

## Africa

## Latin America

- Mexico
- Brazil
- Peru
- Argentina

**Hagbro**  
STUDIOS

## What's In Store: 2011 & Beyond

30  
Years

**Great Story Telling – Great Shows**

Sustainable Innovation

**Impactful Global Marketing**

**Hasbro**  
STUDIOS

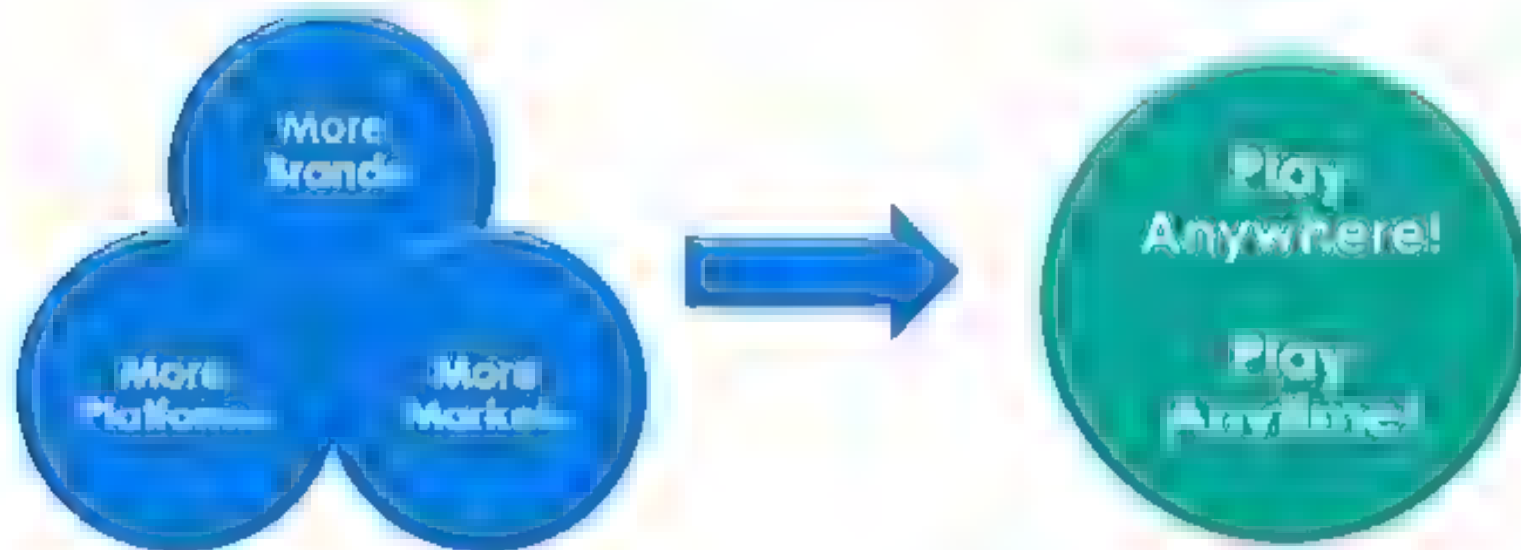


**Figure 6**



# Digital Media and Gaming Mission

**Define, Develop** and **Deliver** Superior  
Entertaining Digital Experiences that Promote  
our Brands to Consumers Worldwide





[hubworld.com](http://hubworld.com)





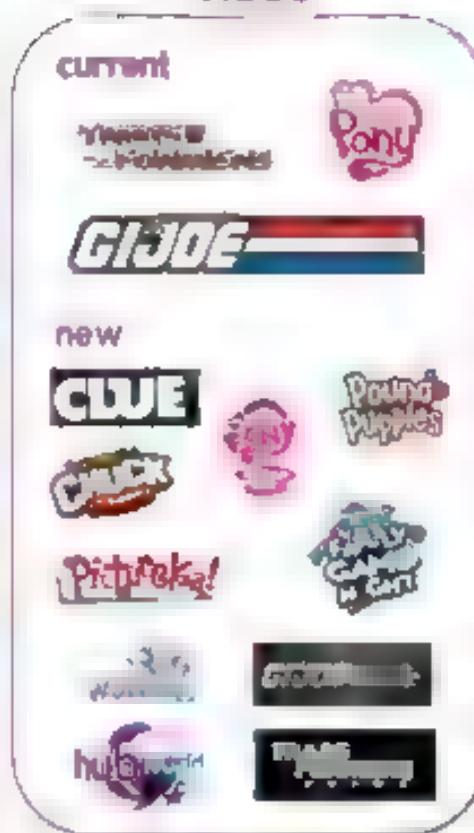
# Launch Content

hubworld.com

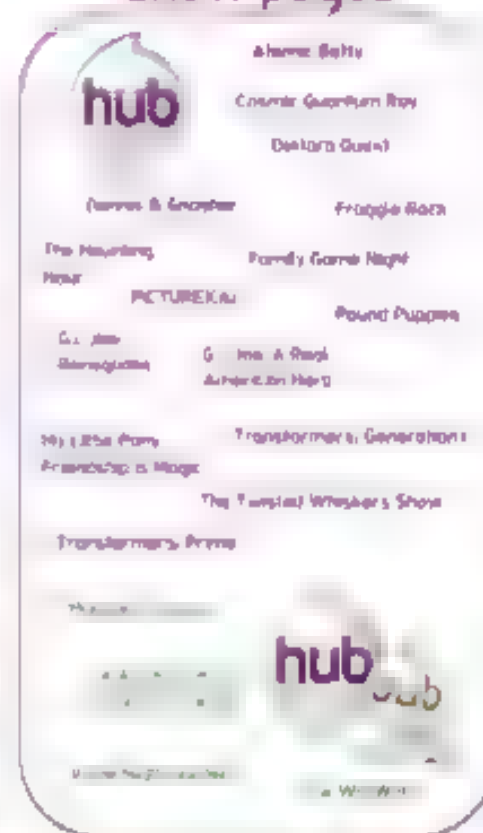
games

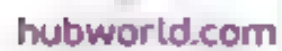


video



show pages





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POINT



Video Playing in Room

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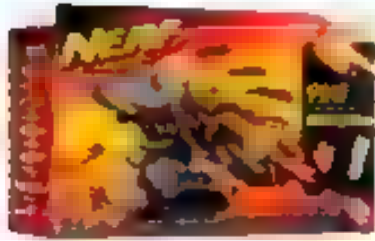
**ACTIVISION®**



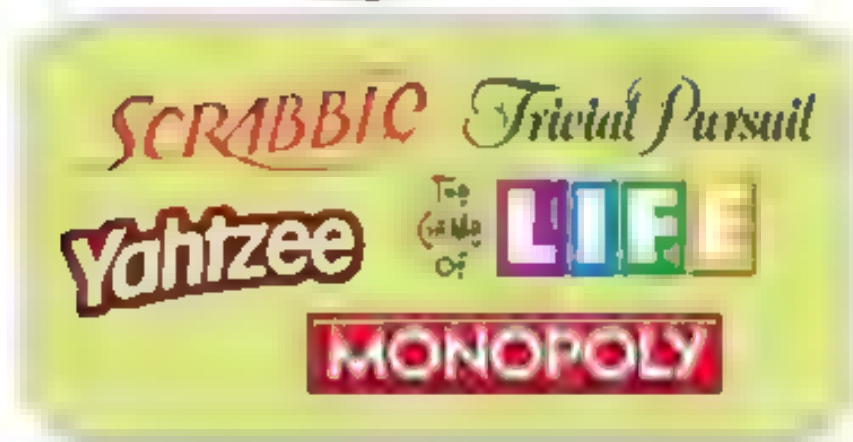
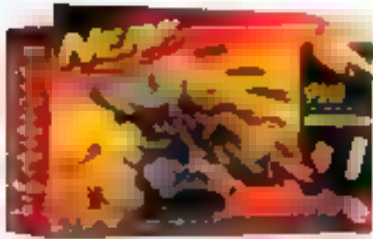
## Highlights to Date: 2008 – Today



## Highlights to Date: 2008 – Today



## Highlights to Date: 2008 – Today



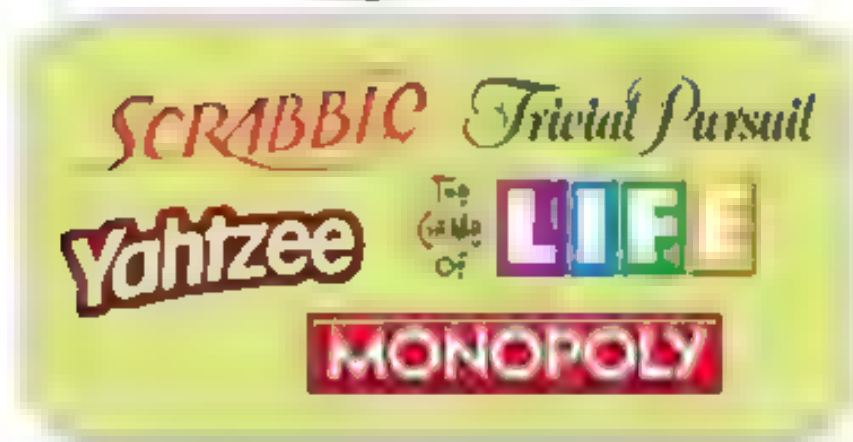
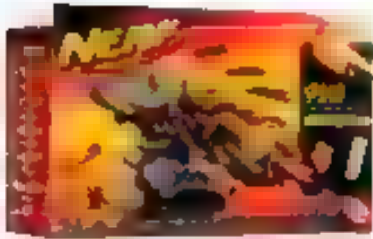
INVESTOR DAY

2010

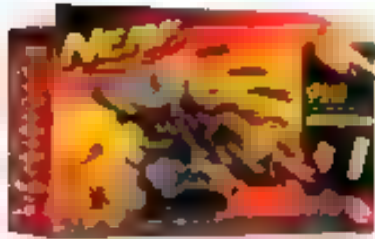


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## Highlights to Date: 2008 – Today



## Highlights to Date: 2008 – Today



*SCRABBLE* Trivial Pursuit

**Yahtzee** The Game of **LIFE**

**MONOPOLY**



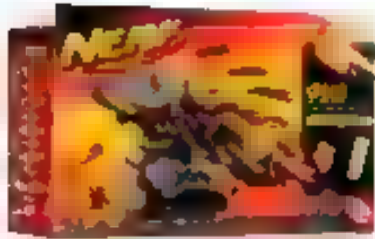
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POINT



Video Playing in Room

## Highlights to Date: 2008 – Today



*SCRABBLE* Trivial Pursuit

**Yahtzee** The Game of **LIFE**

**MONOPOLY**



# Digital Gaming: The First Two Years

## Packaged Goods

Littlest Pet Shop  
Nerf  
G.I. Joe  
Transformers

Monopoly  
Trivial Pursuit  
Scrabble  
Family Game Night

Pictureka  
Operation

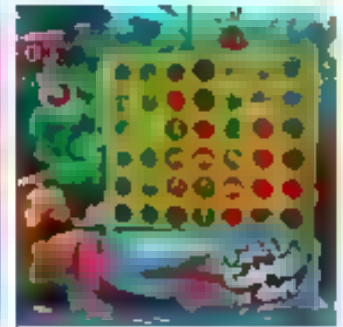


## Media

Littlest Pet Shop  
G.I. Joe  
Transformers  
Risk  
Monopoly

Trivial Pursuit  
Scrabble  
Yahzee  
Game of Life  
Clue

Cranium  
Battleship  
Boggle  
Connect Four



## Online

Littlest Pet Shop  
Risk  
Scrabble  
Monopoly  
Yahzee

Clue  
Battleship  
Game of Life  
Operation  
Trivial Pursuit

Pictureka  
Connect Four  
Sorry



# Industry Evolution

## Before

- Console dominates
- Tightly controlled distribution
- Single business model with stable pricing
- Play at home



## Now

- Platform fragmentation
- Multiple distribution points
- Multiple business models
- Play anytime, anywhere



# Smart Phones



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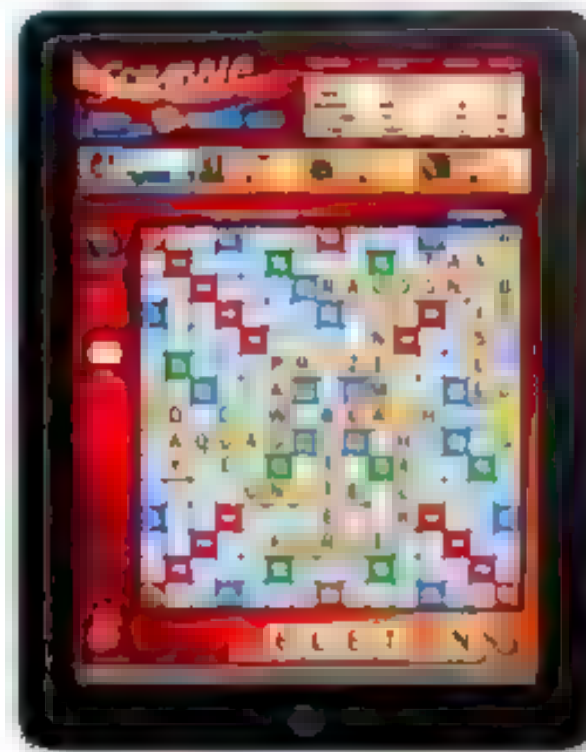
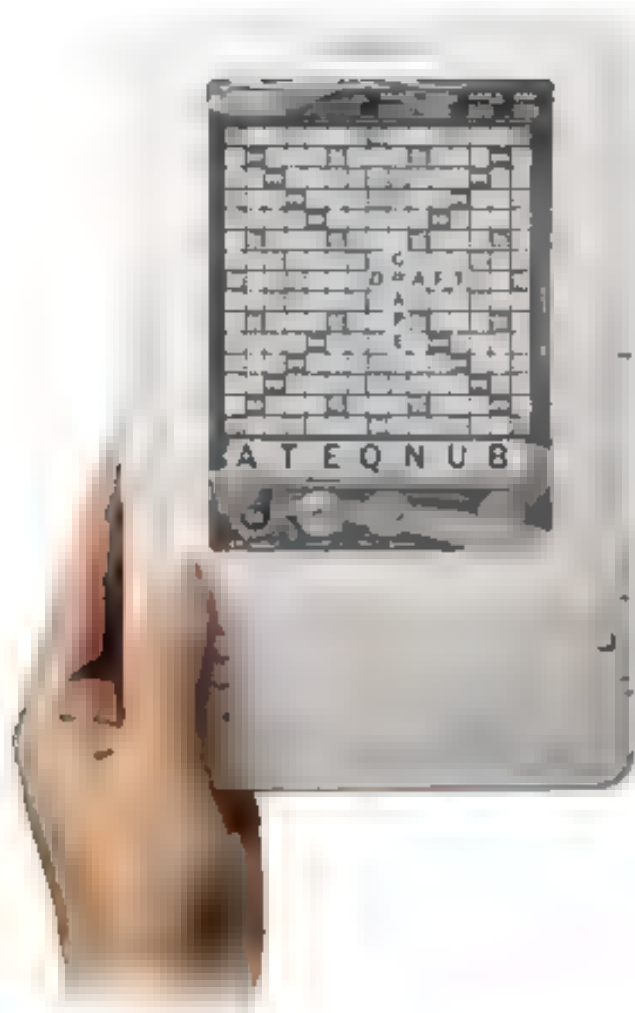
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# Tablet Devices



# Online

pogo.com™



XBOX LIVE

ARCAD2



# Social Network Gaming Hits the Mass Market

## App Leaderboard

Name	MAU
1. FarmVille	56,405,569
2. Phrases	48,38,749
3. Texas HoldEm Poker	36,27,48
4. FrontierVille	28,98,986
5. Cauter	25,45,985
6. Mafia Wars Game	22,409,690
7. Cafe World The Restaurant Game	18,788,406
8. Quiz Planet	16,086,803
9. Are YOU interested?	14,906,006
10. Hearts	14,45,5
11. Give Hearts	14,45,596
12. Treasure Isle	14,329,098
13. Friend Facts	12,555,84
14. Pet Society	12,299,480
15. Meow	12,188,12
16. Millionaire City	11,87,18
17. MindJolt Games	11,766,888
18. Bejeweled Blitz	11,686,066
19. Windows Live Messenger	11,359,226
20. Happy Aquarium	11,076,8
21. Smiles	10,30,617
22. Petville	9,790,03
23. 2 Hearts	8,708,80
24. Birthday cards	9,57,02
25. Straps	9,26,242

- Massive User Base
- Success Breeds Success
- Familiar Themes
- Easy to Learn
- No Brands ...Yet



## Brand Evolution: Two Examples

**TRANSFORMERS**



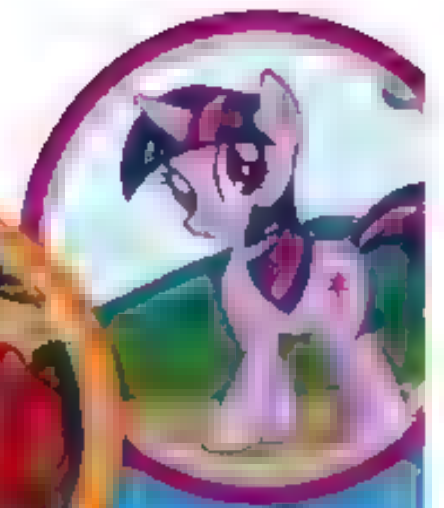
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PPT



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## Looking Ahead



# Summary

Digital medium is key component of Hasbro's strategy  
to build immersive brand experiences

Our brands resonate strongly in console  
**mobile & online gaming**

Depth of brands and depth of platforms

Accelerating our path to entertain consumers  
**anytime and anywhere**





David Hargreaves, Chief Operating Officer

© 2010 Hargreaves, a subsidiary of Hargreaves & Hargreaves



# Executing the Strategy Globally

## Organizational Evolution

2001	Core Brand Strategy
2002	Entertainment initiatives
2005-2006	“Brand Management Process”
2008	CMO and Global Brand Leaders
2009	Established Hasbro Studios & Hub Network
2010	Created Entertainment & Licensing Segment



# Executing the Strategy Globally

New Businesses = New Talent

	Years of Service
Brian Goanier	10
John Frost, CTR	3
Duncan Bling	22
Simon Waters	0.5
Bennett Scherer	2

	Years of Service
Steve Davis	1
(Margaret Jones)	1
Mark Blecher	7
David Hargreaves	28
Deb Thomas	12



# Executing the Strategy Globally

Every Country, Every Region



Key Initiatives

Organizational Design

Redefine Role of Country Heads  
& Management Teams

H.R. Programs

(Recruitment, Training, Rewards)

Budgets, Business Reviews  
& Management Information



# Executing the Strategy Globally

Every Country, Every Region



How Internationalized are You?

Licenseses

TV Networks

Digital Gaming

Studios/Distributors



# Executing The Strategy At Retail

**Walmart**  
Save money. Live better.



**TESCO**

**Auchan**



**METRO**

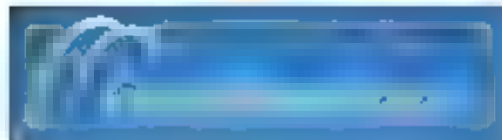
**TOYS R US**

**Argos**

**Carrefour**

**BIG W**

**LOJAS AMERICANAS**



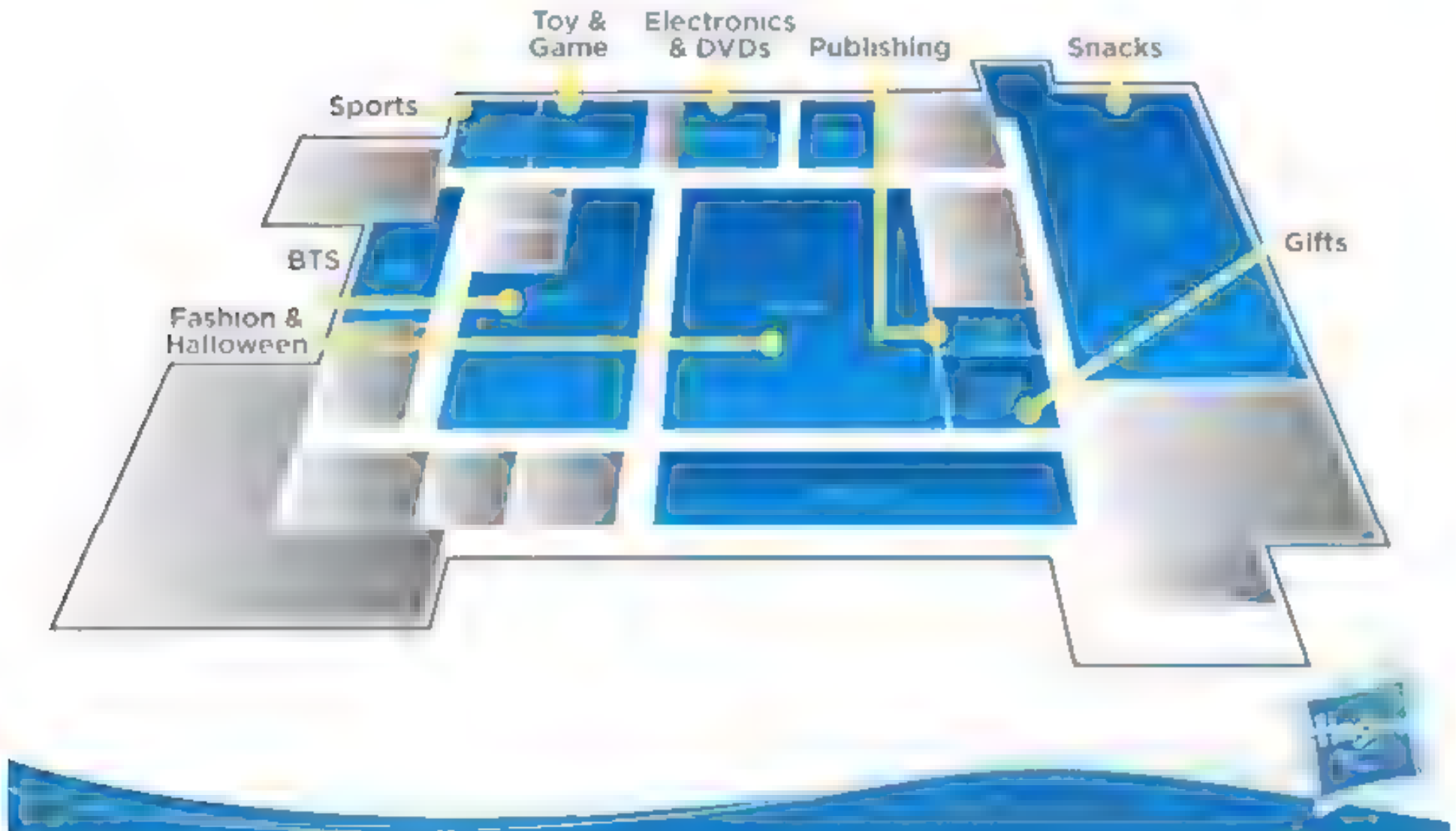
**TOY WORLD**

**RIHAPPY**



# Executing the Strategy at Retail

Brand Execution Across The Stores



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# Executing the Strategy at Retail

CSM = Customer Strategic Marketing



# Executing the Strategy at Retail

Think of Us As

Vertical  
Marketing  
Management

Goodwin

Marketing  
Concepts

Marketing  
Concepts





## Key Takeaways from Today's Presentations



# Hasbro's Strategic Blueprint

Strategic Retail Partnerships Bringing the Blueprint to Life at Retail



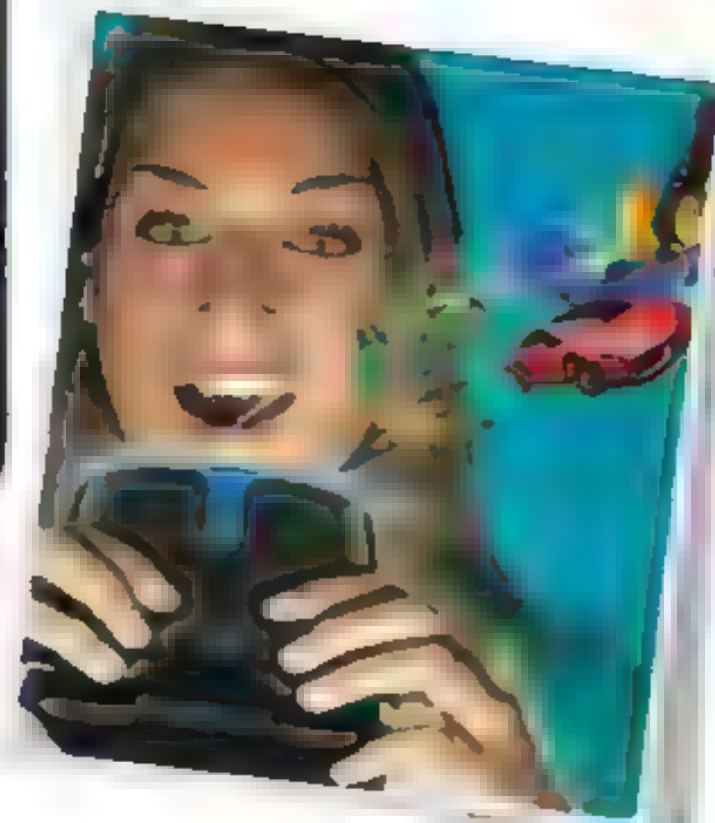
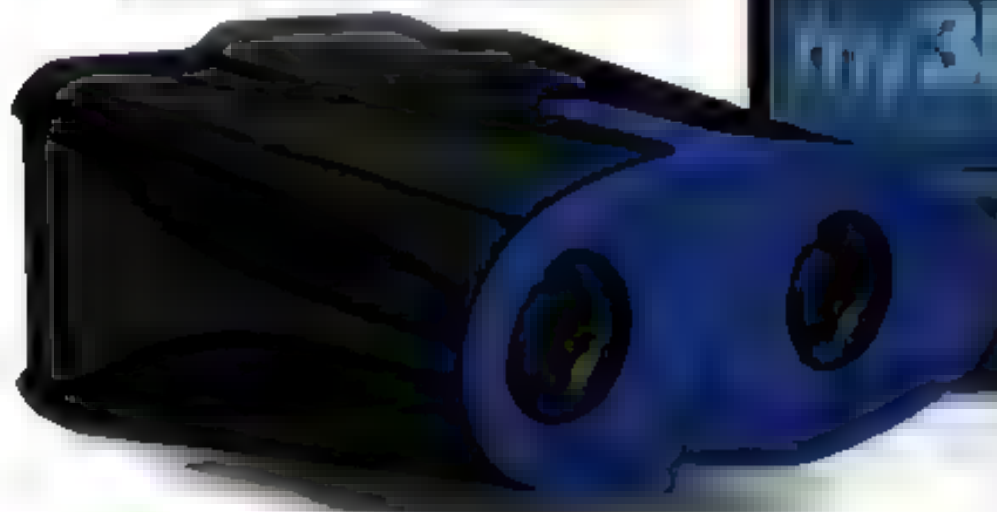
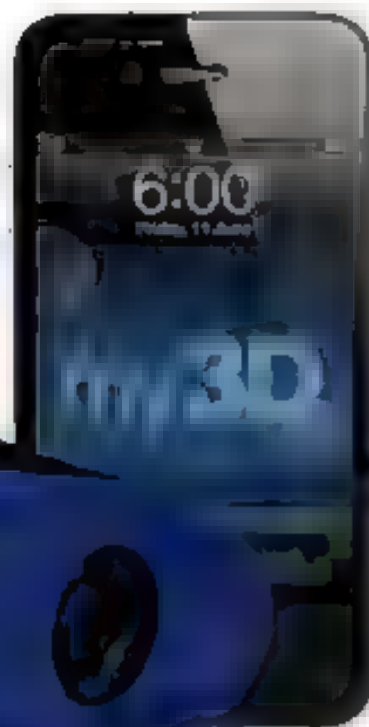


Over  
**1500**  
Brands



2011  
CONSUMER  
ELECTRONICS

miV3D



Radical Innovation  
New B

**BATTLESHIP**

**TRANS  
FORMERS**

**G.I. JOE**  
THE RISE OF COBRA

**STRETCH  
ARMSTRONG**

**MICRONAUTS**

**OUIJA**  
MUST NOT BE USED  
BY THE LIVING  
MYSTIFYING ORACLE  
DO NOT USE IF PATENTED

**RISK**



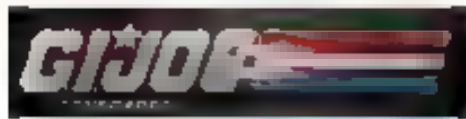
**MONOPOLY**

FREE



**CLUE**

# Hasbro Studios



Hasbro Studios, a 100% owned TV production studio, making programming based on Hasbro's brands

Currently producing 329 half-hours of programming for launch on The Hub and in international markets

Programming launched on Hub Network 10-10-10 and will be sold internationally, airing in major markets beginning Q3 2011



# Licensing Partners



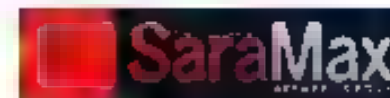
ACTIVISION



Mead



Trends  
INTERNATIONAL



## Execution at Retail



Spain



China



China



Mexico



Austria



France





David Hargreaves, COO  
Deb Thomas, CFO

# Questions Answers



# Questions

2010 and 2011 Outlook

Drivers of 2011 Revenue Growth

Exchange Rates

Emerging Markets

2011 Television Initiatives

Supply Chain Trends

Use of Cash

Looking Beyond 2011

Medium-Term Financial Objectives





# Question

What are your expectations  
for the course and content  
being taught in 2011?



## 2010 Outlook

"We continue to believe we should be able to grow revenues and earnings per share for the full year 2010, including the dilution from our television investments and barring a further decline in consumer spending, global economic conditions or foreign exchange."



## 2011 Outlook

"We believe we should be able to grow revenues and earnings per share in 2011 barring a decline in global economic conditions, consumer spending or foreign exchange."

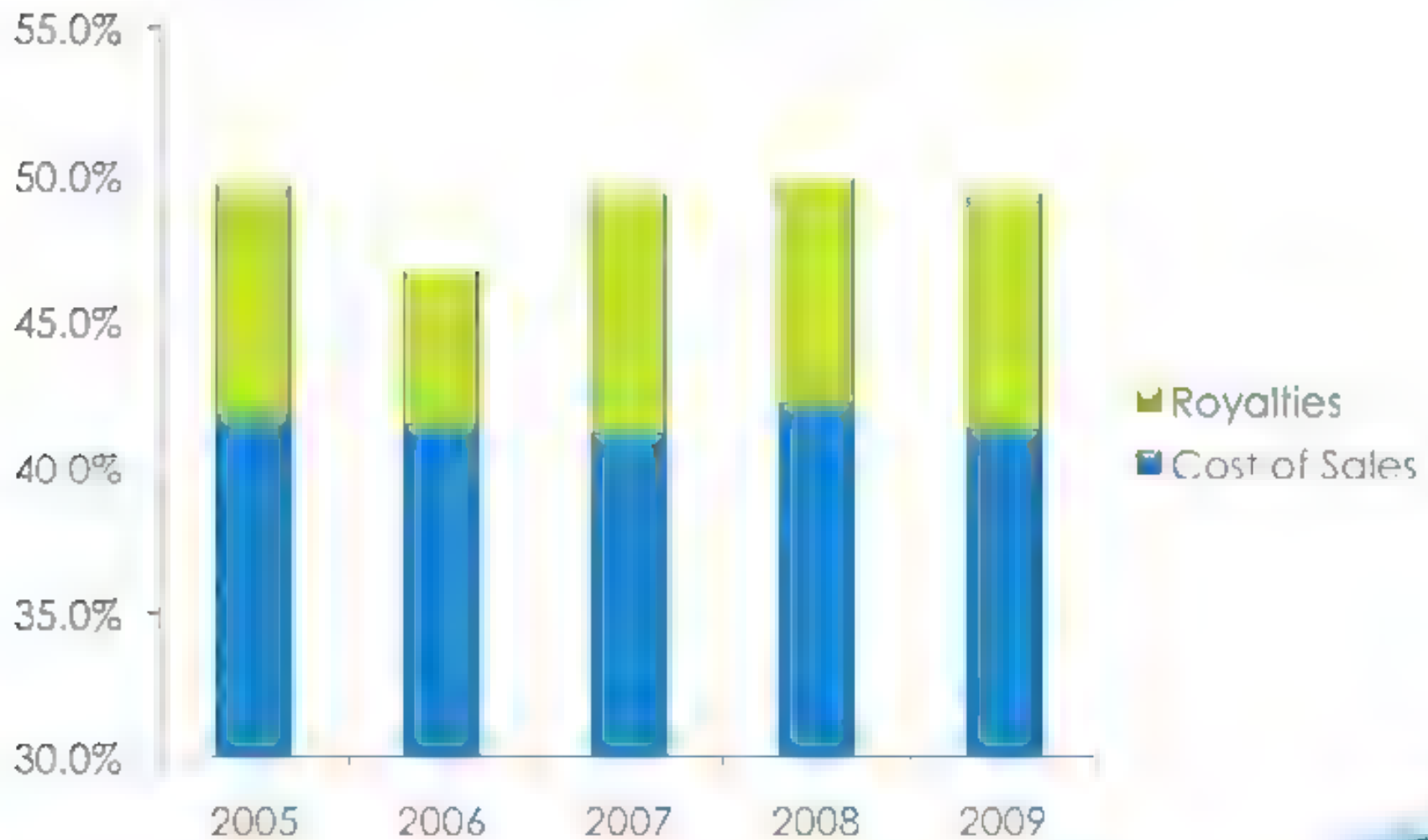


# Modeling the Year

5 Year Average as a Percentage of Revenue 2005-2009		Notes
Year		
		2007 - 8.3%
		2009 - 8.1%
Selling, Distribution & Administrative		



## Cost of Sales & Royalties



# Modeling the Year

8-Year Average as a Percentage of Revenue 2005-2009			Notes
			2007 - 8.3%
			2009 - 8.1%
			and a

Administrative

Administrative



## Expected Amortization

Amortization by Year	
2009	0
2010E	51,000
2011E	51,000
2012E	48,000
2013E	48,000
2014E	50,000
2015E	50,000

**2010 versus 2009:** intangible assets associated with the Wizards of the Coast and Laramie acquisitions have been fully amortized

\*Exclusive of program production amortization



# Tax Rate

	Underlying Tax Rate
2000	20.00
2001	20.00
2002	20.00
2003	20.00
2004	20.00
2005	20.00
2006	20.00
2007	20.00
2008	20.00
2009	20.00
2010	20.00
2011	20.00
2012	20.00
2013	20.00
2014	20.00
2015	20.00
2016	20.00
2017	20.00
2018	20.00
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2092	20.00
2093	20.00
2094	20.00
2095	20.00
2096	20.00
2097	20.00
2098	20.00
2099	20.00
2100	20.00





# Question

What are the three main types of questions that can be asked in a research paper?



# The 2011 Consumer

- Outlook for 2011 much like 2010
- Recovery continues slowly and varies by market
  - Emerging markets generally faring better
  - Europe continues to have a few trouble spots (Spain, Greece, Ireland)
- Value continues to be important to the consumer
  - Combination of price and superior experience



## 2011 Revenue Drivers

TRANS  
FORMERS

STAR  
WARS

MARVEL

PLAYSKOOL

BEYBLADE

NERF

PlayDoh

Baby  
Alive

SESAME STREET

hub

FurReal

2011 Revenue Drivers





# Question

What is the first step in the process of creating a new product?



# Historical Exchange Rates

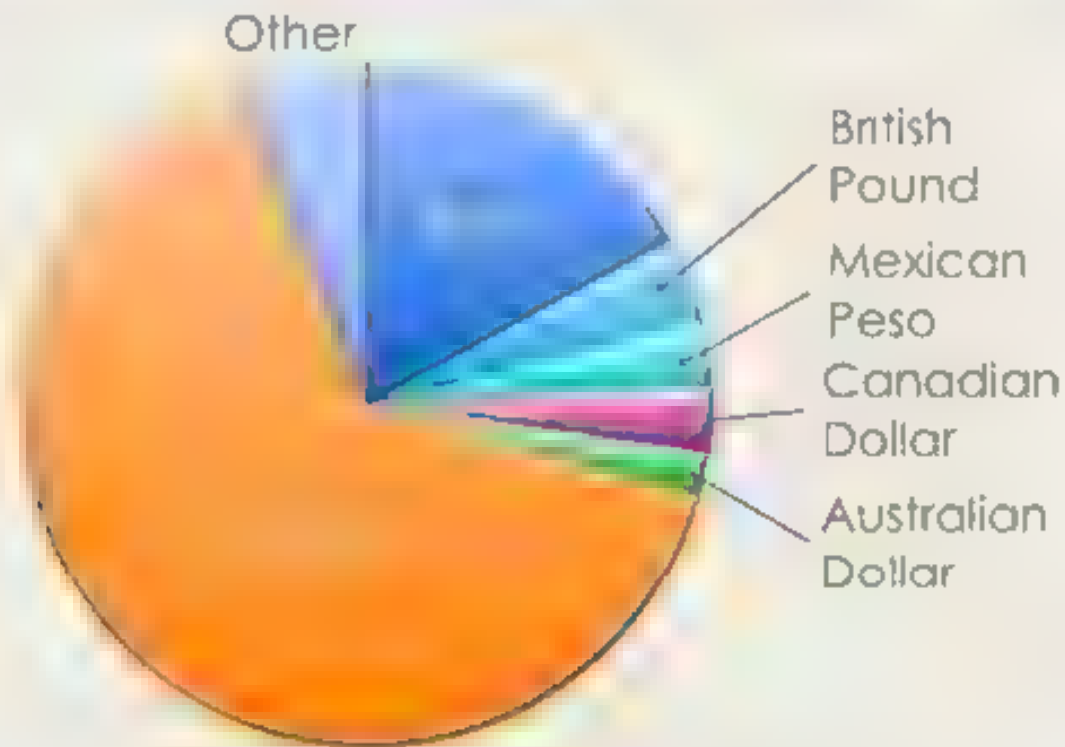
Average Revenue FX Translation Rates

	Full Year 2008	Full Year 2009	9 Months Ended Sept 2010
Euro	1.44	1.43	1.32
British Pound	1.80	1.59	1.54
Canadian Dollar	0.920	0.898	0.962



# Hasbro Revenues by Underlying Currency

Representative Revenue by Currency





# Question

What is the name of the company that manufactures the Hyster H50T forklift?



# Hasbro's Emerging Market Initiatives



- 9 new offices since 2007

- 300+ employees in emerging markets

- Mega brands & key licenses driving growth





# Question



# Impact/Results to Date

## Dilution by Quarter




	Q1	Q2	Q3	Q4	YTD
Dilution	\$0.04	\$0.05	\$0.05	\$0.05	\$0.19
YTD	1.0	1.0	1.0	1.0	4.0

JV Network contribution to Hasbro, Inc.  
represents our 50% share of the JV Network's earnings

	Q1	Q2	Q3	Q4	YTD
Contribution	\$1.1	\$1.0	\$1.0	\$1.0	\$4.1
YTD	1.0	1.0	1.0	1.0	4.0



# 2011 Swing Factors

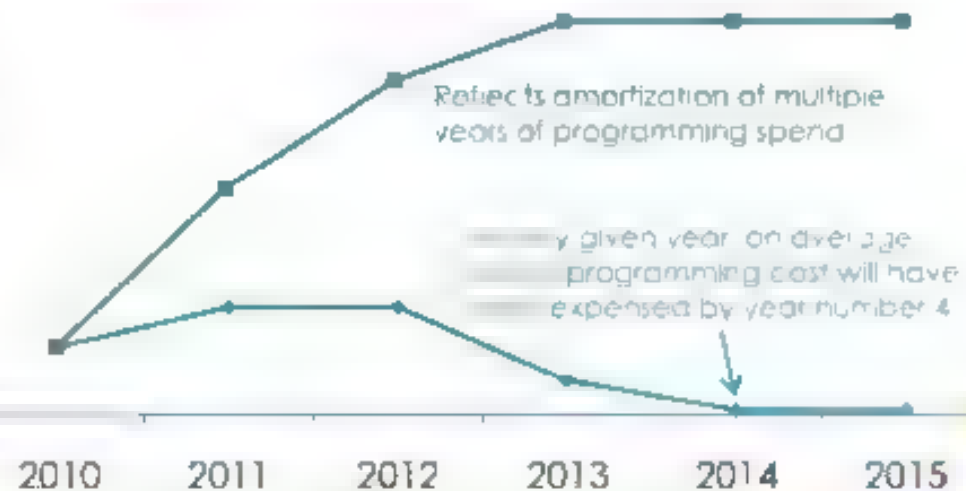
	Impact	2011	Notes
Net Revenue	<ul style="list-style-type: none"> <li>Incremental Toy/Game/Licensed Merchandise Sales</li> <li>Sale of programs to The Hub domestically and multiple partners internationally</li> </ul>		<ul style="list-style-type: none"> <li>Product ships for shows on air Fall 2011 – limited product for 2010 and Spring 2011</li> <li>Full year program sales to The Hub and International markets</li> </ul>
Program Production Amortization	<ul style="list-style-type: none"> <li>Programming to be amortized over the revenue curve of the property. Spending can ramp to \$80-\$100M annually</li> </ul>		<ul style="list-style-type: none"> <li>Full year of program delivery</li> <li>International distribution added</li> </ul>
Other (Income/expense, Net)	<ul style="list-style-type: none"> <li>Hasbro's 50% share of The Hub's earnings</li> </ul>		<ul style="list-style-type: none"> <li>Incremental marketing spend at The Hub declines</li> <li>Expected return to profitability in 2011</li> </ul>



# Program Production Amortization

- Cash spend on average \$80-\$100M per year. Prior to program distribution, investment is reflected on the balance sheet in other assets
- 2010 cash investment expected to be less than \$80M (\$31M in first three quarters 2010)
- 2010 program amortization estimated to be \$15-\$20M

Program Amortization Expense by Year





# Question

Part 1: 















## 2010 Cost of Goods Sold

As % of Revenue	
Revenue	100%
Gross Margin	58%

All Other	4.5%
Total	22.0%

Tooling	1.5%
Total	20%



# Input Cost Trends

	2010 vs. 2009	2011 vs. 2010
▶ Board / Paper / Print	▲	▲
▶ Resins	▲	▲
▶ Labor	▲	▲
▶ Currency	▲	▲
▶ Freight	▲	▲
Weighted Average	14%	9%



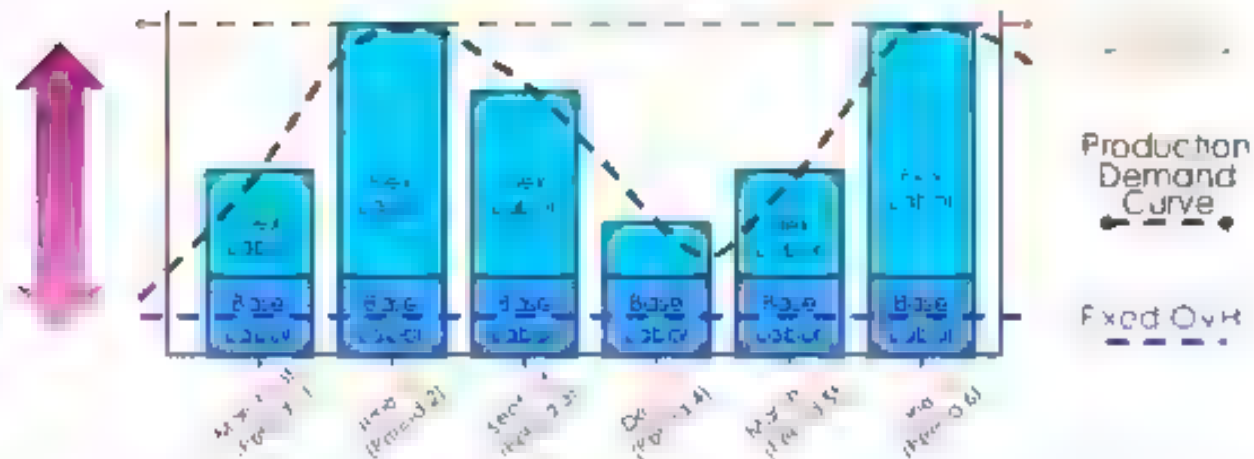
# Supply Chain Issues

- 2010 Shipping Container Shortages
  - Secured appropriate shipping capacity to avoid any impact to our supply chain this holiday season
  - Worked closely with retailers to ensure they have the products consumers want on the shelves for the holidays
  - Positioned to meet demand with a good supply of high quality safe toys this holiday season

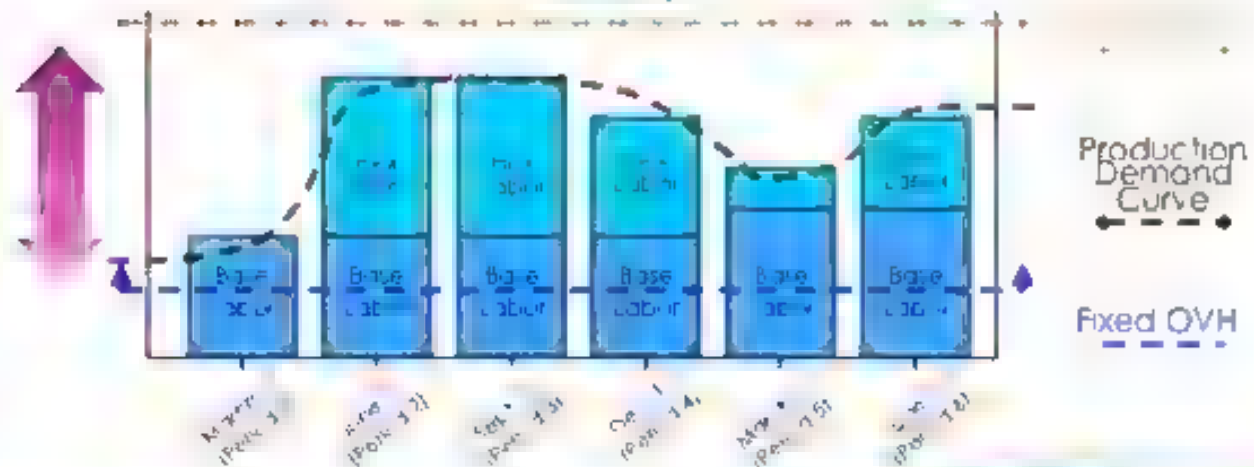


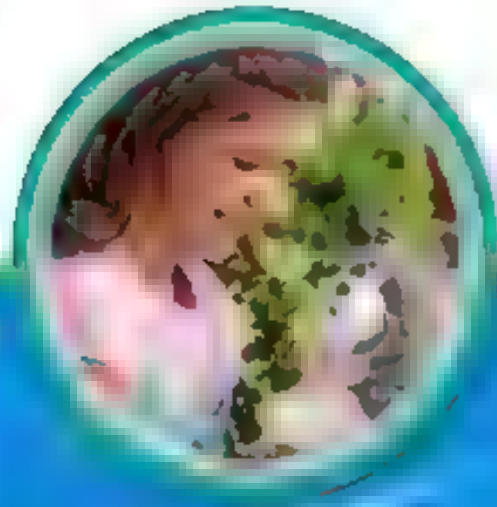
# Far East Sourcing Level Loading

5 Years Ago



Today





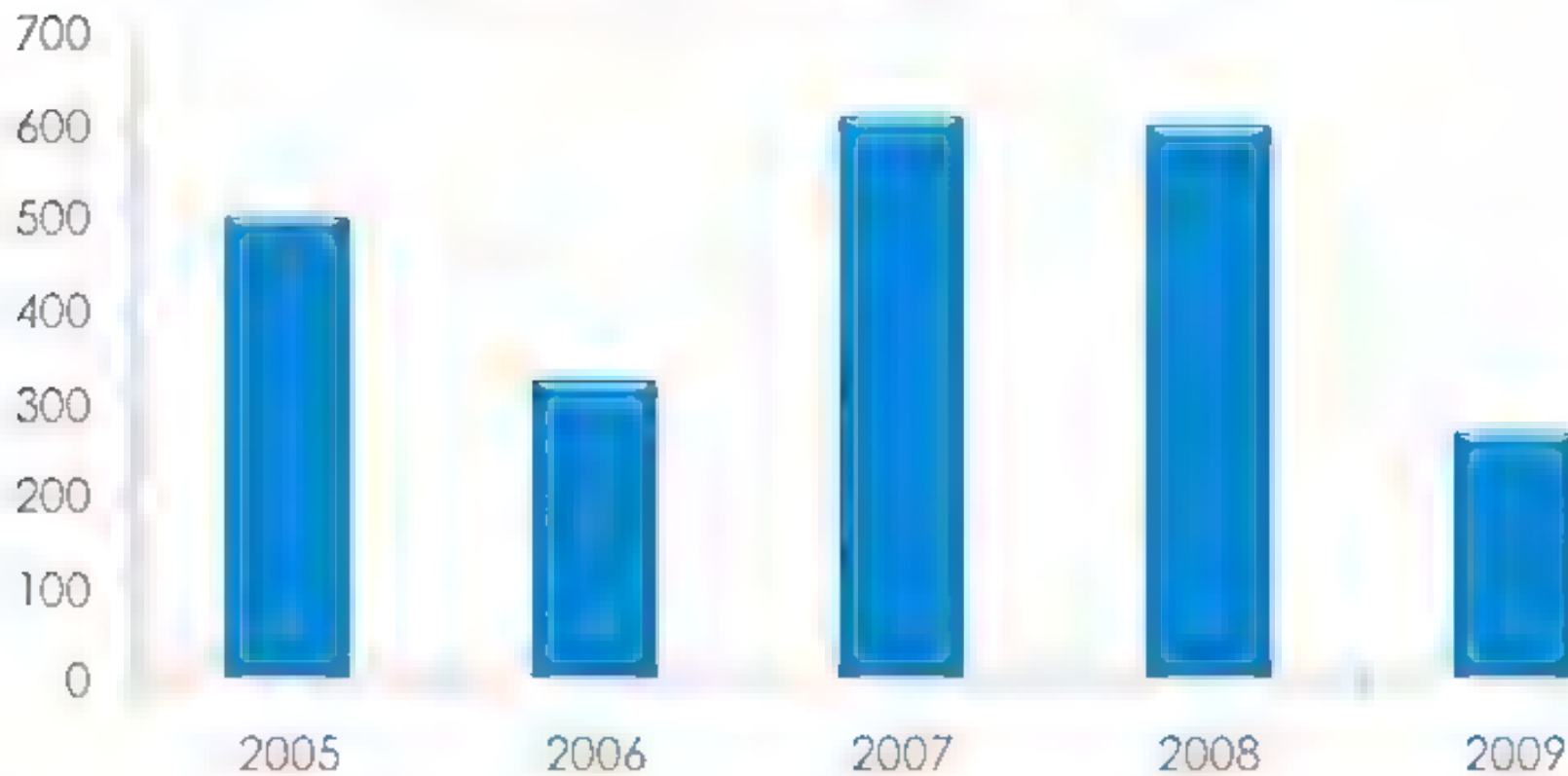
# Question

የወንጌል ስራዎች ለማድረግ  
የሚያስፈልጉትን ምንጮች ይጥቅሙ  
1. የወንጌል ስራዎች ለማድረግ  
የሚያስፈልጉትን ምንጮች ይጥቅሙ  
2. የወንጌል ስራዎች ለማድረግ  
የሚያስፈልጉትን ምንጮች ይጥቅሙ



# Strong Operating Cash Flow

Historical Operating Cash Flow



# Invest in Our Business

## Innovation

Immersive Experiences

Immersive Experiences

ignite

## Emerging Markets

Offices

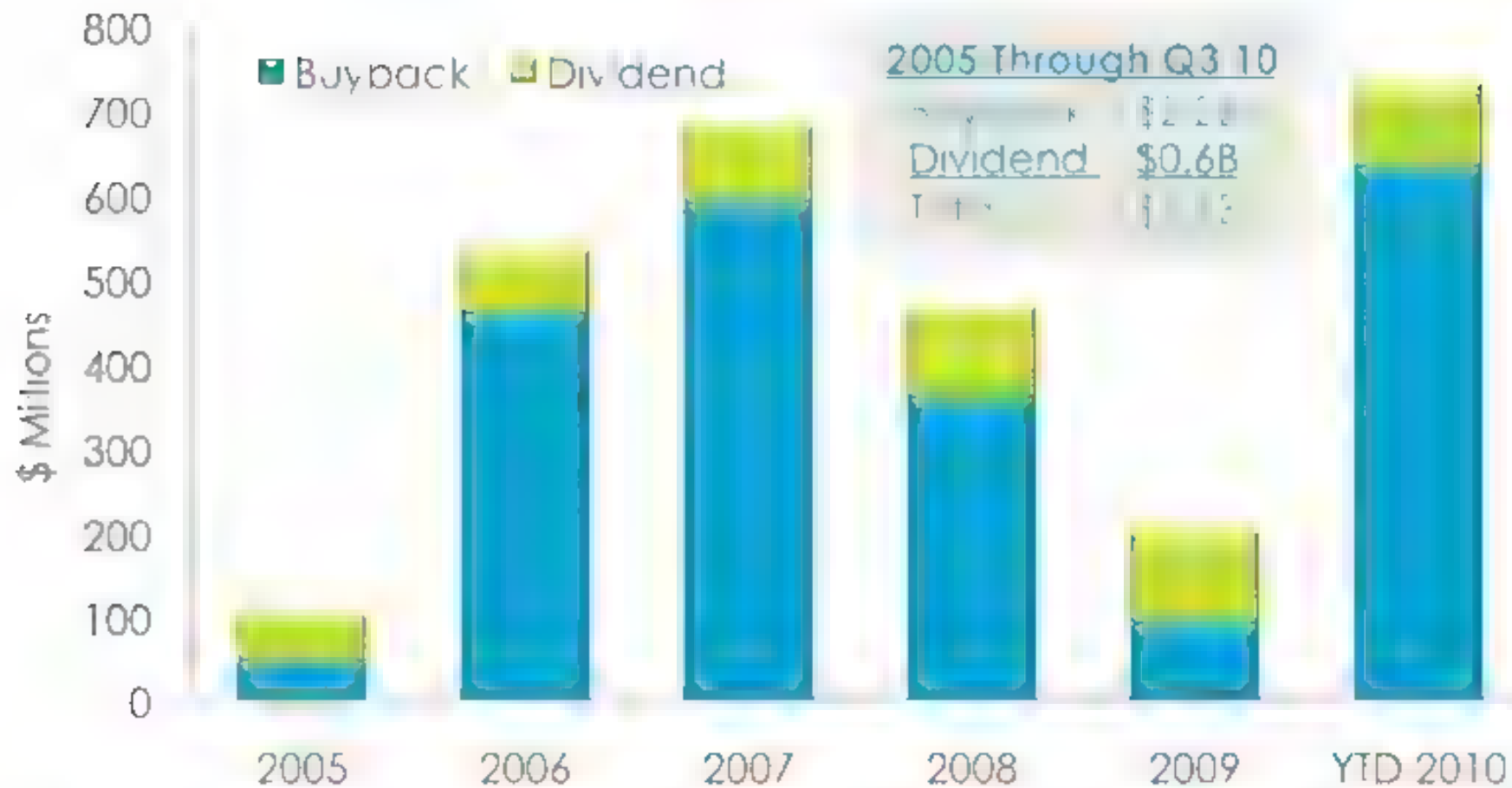
Offices

in existing

## Television Programming Investments



# Return Cash to Shareholders



As of Q3 10, \$157.5 Million remains in the Company's current share repurchase authorization



# Debt

## Long-Term Debt

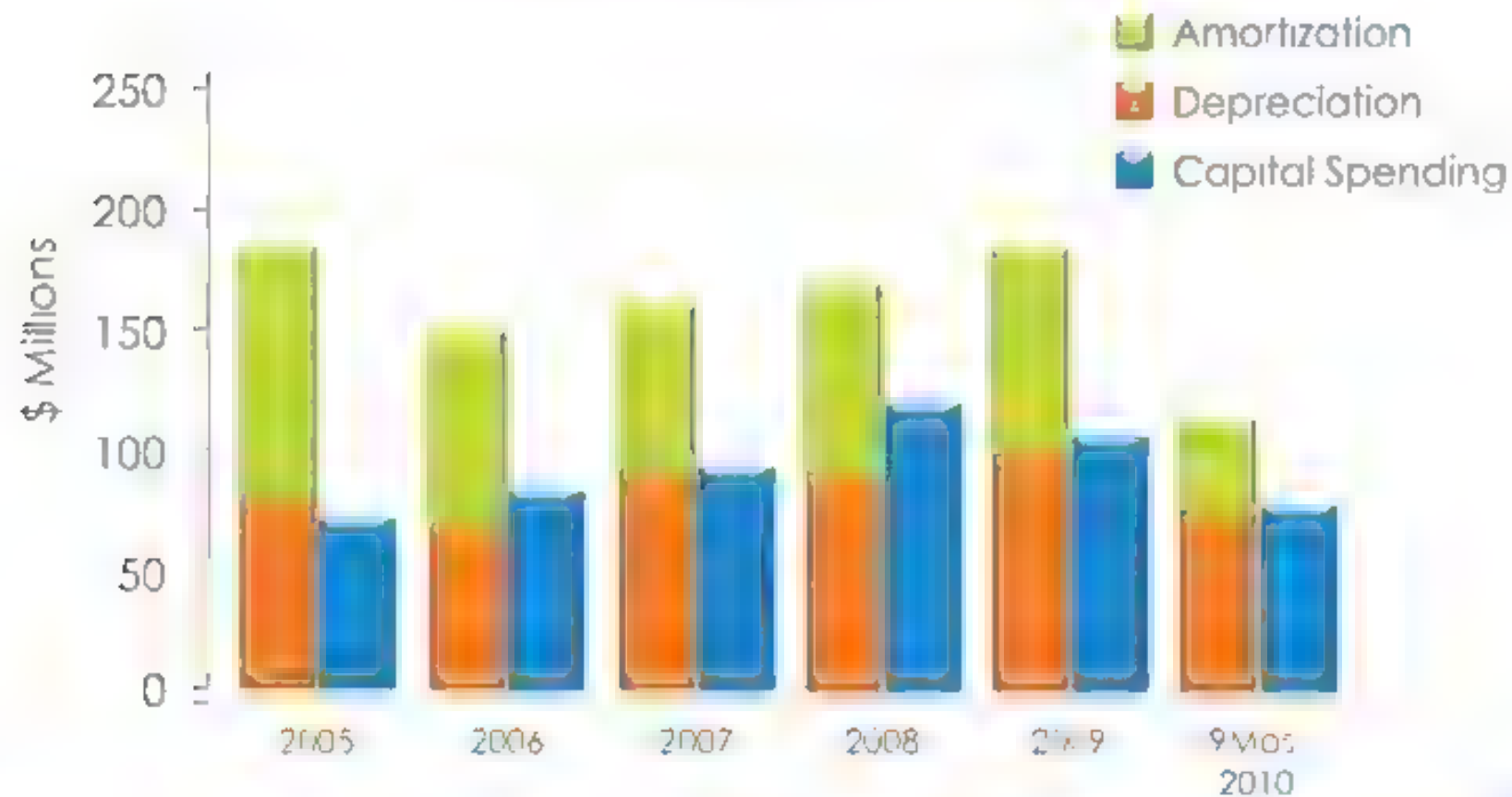
Note	Interest Rate	Principal Amount
09/15/2017	6.30%	\$350M
03/15/2040	6.35%	\$500M

In the first half of 2010, \$250M of convertible bonds converted, resulting in the issuance of 11.6M of Hasbro shares.



# Historical D&A and Capital Spending

Historical D&A and Capital Spending





# Question

ହାସ୍ତାକ୍ଷର କିମ୍ବା ଚିତ୍ରାକ୍ଷର  
କି ବାବଦରେ ଅନୁଶୀଳନ କରି ଥିବି ।  
ହେଉ, ତାହା ଯେଉଁ କାଳରେ ଶିଖିବି ତାହା  
୨୦୧୨-୨୦୧୩ ଶିକ୍ଷା ବର୍ଷ ପାଇଁ ।



# Building Business for the Long Term

## Toy & Game Product Innovation

- New initiatives, new technologies

## Immersive Entertainment Experiences

- Micronauts

## Long-Term Strategic Partnerships

- Iron Man 3 announced for 2013
- Sesame Street

## Global Expansion

- Grow in emerging markets





# Question

What are the two essential steps  
needed to create a new  
in the new software system?



# Medium-Term Objectives



Revenue growth CAGR 5%

2015-2019 2020-2024

10.0 12.0 14.0 16.0 18.0

to better than 15%

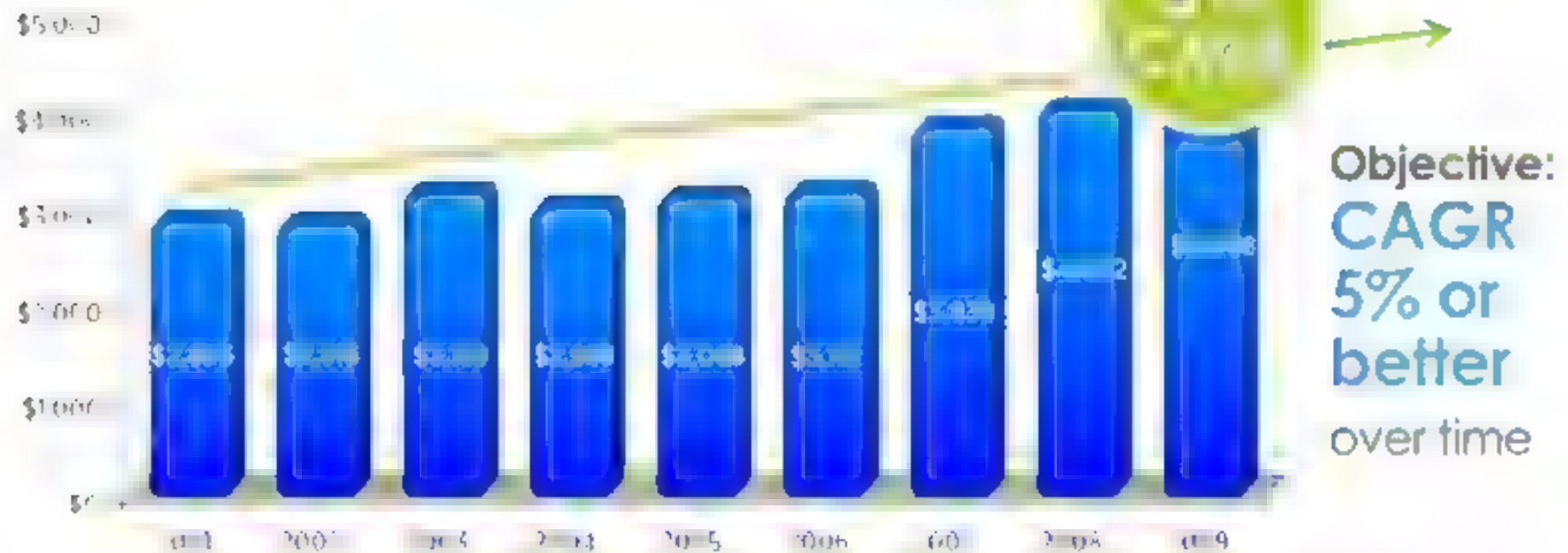
Generate cash in fl

500



# Net Revenues 2001–2009

Hasbro Inc. Net Revenues  
(in US\$ Millions)



Some years' growth will be  $>5\%$  and some years' growth will be  $<5\%$



# Achieving Revenue Targets

- Investment in toy, game and immersive experience innovation
- Global expansion
  - Emerging markets
  - Global expansion of brands
- Market share gains in mature markets
- New categories
- Entertainment & Licensing
  - Movies
  - Television – globally
  - Lifestyle licensing
  - Digital gaming
- Retailer partnerships globally



# Operating Profit Targets



Objective: Operating margin improvement to  
**better than 15%**



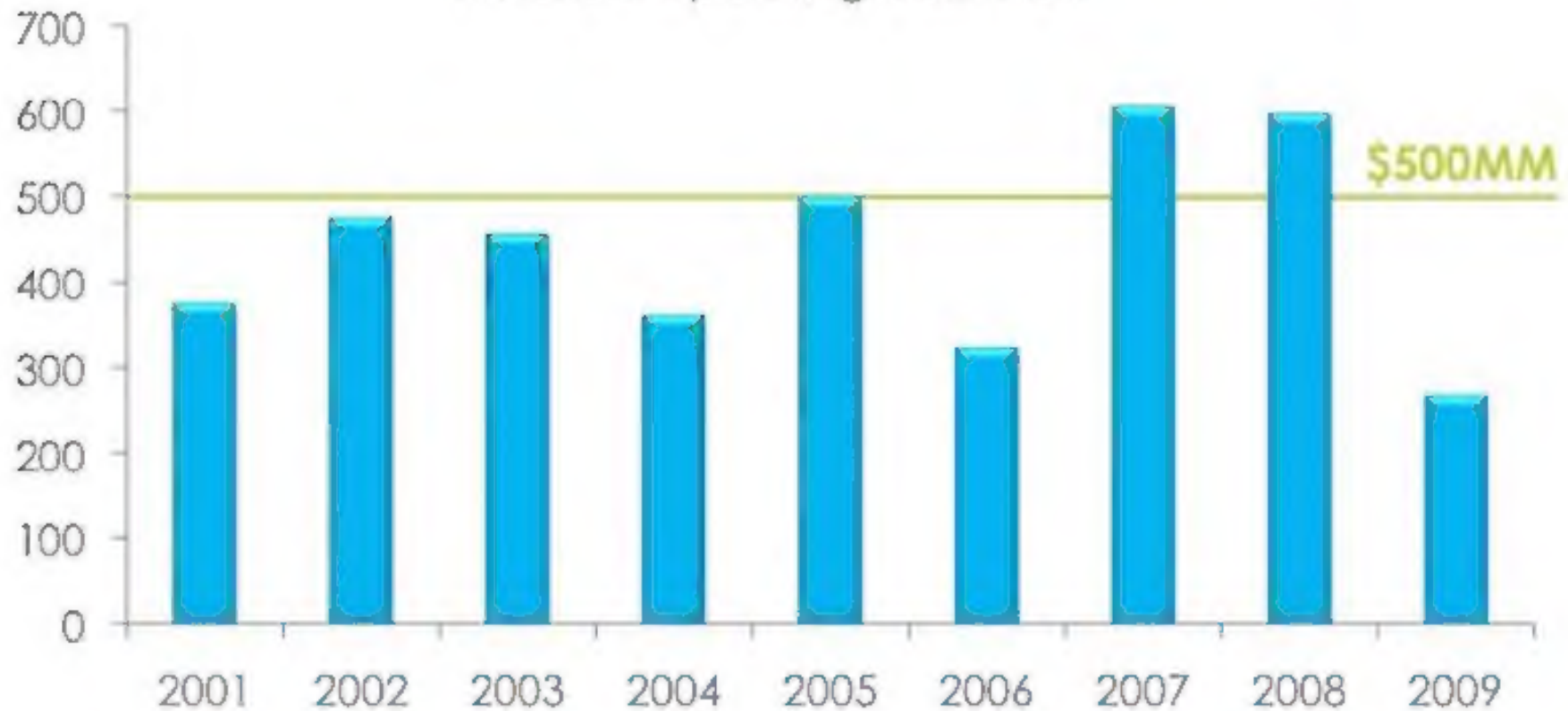
# Achieving Operating Margin Targets

- Entertainment-Driven Global Brands
  - Global marketing, development, tooling
- Expanding Entertainment & Licensing Revenue
  - High-margin revenue contribution
- Business Efficiencies & Cost Controls
  - SD&A cost leverage & process improvement



# Cash Generation Target

Historical Operating Cash Flow



**Objective:** Generate on average, **\$500M**  
in operating cash flow



## In Summary: Hasbro Is...

- Successfully executing Hasbro's brand blueprint globally
- Investing in long-term opportunities
- Focusing on innovation in toys, games & immersive experiences
- Leveraging retail globally
- Financially strong and achieving its financial objectives

**Revenue growth**  
CAGR 5%  
or better over time

**Operating margin**  
improvement to  
better than 15%

**Generate cash**  
in the amount of  
\$500M on average



# Questions & Answers



INVESTOR DAY  
2010

